**UNITED
NATIONS**

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Security Council

Distr.
GENERAL

S/2000/68
2 February 2000

ORIGINAL: ENGLISH

LETTER DATED 5 OCTOBER 1999 FROM THE PRESIDENT OF THE GOVERNING COUNCIL OF THE UNITED NATIONS COMPENSATION COMMISSION ADDRESSED TO THE PRESIDENT OF THE SECURITY COUNCIL

The Governing Council of the United Nations Compensation Commission held its thirty-third session at Geneva from 28 to 30 September 1999. Delegations from Iraq and Kuwait addressed the Council during its opening plenary meeting.

During the session the Council considered five reports and recommendations made by the Panels of Commissioners in the E3 and E4 categories of claims (annexes I, III, V, VII and IX). The category E3 reports concern non-Kuwaiti construction/engineering claims, and the category E4 reports concern Kuwaiti private sector claims. The tables show the amounts of compensation claimed and the amounts awarded by the Governing Council.

The Governing Council also considered the report of the Executive Secretary: summary of activities, covering the period from 11 May to 10 August 1999. The report concerns the appointment of Commissioners, the processing of claims, requests for correction under article 41, the withdrawal of claims and the payment of approved claims.

On the matter of the appointment of Commissioners, the Governing Council formally endorsed, in the light of the Secretary-General's recent nomination and agreement, the appointment of a new Commissioner and the changes to two Panels of Commissioners. Following the resignation of Sir Elihu Lauterpacht as Chairman of the category F3 Panel of Commissioners, Yves Fortier, formerly the Chairman of the E/F Panel, has become the Chairman of the F3 panel, Roberto Maclean has become the Chairman of the E/F Panel, and Nigel Alington was appointed by the Council through a written procedure, as a new Commissioner on the E/F Panel.

The Council discussed several issues relating to the processing and payment of claims, and decided that where previously undistributed funds are returned to Governments for payment to claimants who have since been located, each Government shall have four months to distribute the returned funds to claimants and two additional months to report thereon to the Commission. Governments that do not comply with such conditions within six months after receiving the funds will have further payments from the Commission suspended, pending the distribution of the funds to claimants or the return of the funds.

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The Council also decided, in the light of the increased income being received by the Compensation Fund, to commence discussion on the mechanism for the third phase of payment at the informal meetings of the Working Group and the next session of the Governing Council.

The Council considered the seventh report of the Executive Secretary pursuant to article 41 of the Rules (annex XI), which concerned corrections to the approved amounts for various instalments of category A claims, submitted by various Governments. The Council also considered a special report and recommendations made by the category D Panel of Commissioners (annex XIII), which concerned adjustments to approved amounts in the first three instalments of category D claims in the light of awards previously made in categories A, B and C, to ensure that overpayments to those claims are avoided.

Finally, the Governing Council decided to hold its thirty-fourth session from 7 to 9 December 1999.

(Signed) Hans J. HEINEMANN
President of the Governing Council

Annex I

Report and recommendations of the Panel of Commissioners concerning the fourth instalment of E3 claims*

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* Previously issued as document S/AC.26/1999/14.

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15. IMP'S CLAIM FOR INTEREST ON DEFERRED PAYMENTS
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17. STFA ELTA'S CLAIM
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20. MACHINOIMPORT'S LOSS OF TANGIBLE PROPERTY (IRAQI PROJECTS)
21. MACHINOIMPORT'S LOSS OF TANGIBLE PROPERTY IMPORTED INTO KUWAIT
22. RECOMMENDED COMPENSATION FOR FOURTH INSTALMENT

Introduction

1. The Governing Council of the United Nations Compensation Commission (the "Commission") appointed the present Panel of Commissioners (the "Panel"), composed of Messrs. John Tackaberry (Chairman), Pierre Genton and Vinayak Pradhan, at its twenty-eighth session in June 1998, to review construction and engineering claims filed with the Commission on behalf of corporations and other legal entities in accordance with the relevant Security Council resolutions, the Provisional Rules for Claims Procedure (S/AC.26/1992/10) (the "Rules") and other Governing Council decisions. This report contains the recommendations to the Governing Council by the Panel, pursuant to article 38(e) of the Rules, concerning the claims of nineteen corporations included in the fourth instalment. Each of the claimants seeks compensation for loss, damage or injury allegedly arising out of Iraq's 2 August 1990 invasion and subsequent occupation of Kuwait.

2. Each of the claimants had the opportunity to provide the Panel with information and documentation concerning their claims. The Panel has considered evidence from the claimants and the responses of Governments to the reports of the Executive Secretary issued pursuant to article 16 of the Rules. The Panel has retained consultants with expertise in valuation and in construction and engineering. The Panel has taken note of certain findings by other Panels of Commissioners, approved by the Governing Council, regarding the interpretation of relevant Security Council resolutions and Governing Council decisions. The Panel was mindful of its function to provide an element of due process in the review of claims filed with the Commission. Finally, the Panel has further amplified both procedural and substantive aspects of the process of formulating recommendations in its preamble to its consideration of the individual claims.

I. PROCEDURAL HISTORY

A. The nature and purpose of the proceedings

3. The status and functions of the Commission are set forth in the report of the Secretary-General pursuant to paragraph 19 of Security Council resolution 687 (1991) dated 2 May 1991 (S/22559). In his report, the Secretary-General described the function of the Commission as follows:

> "The Commission is not a court or an arbitral tribunal before which the parties appear; it is a political organ that performs an essentially fact-finding function of examining claims, verifying their validity, evaluating losses, assessing payments and resolving disputed claims. It is only in this last respect that a quasi-judicial function may be involved. Given the nature of the Commission, it is all the more important that some element of due process be built into the procedure. It will be the function of the commissioners to provide this element." (S/22559, paragraph 20).

> "The processing of claims will entail the verification of claims and evaluation of losses and the resolution of any disputed claims. The

major part of this task is not of a judicial nature; the resolution of disputed claims would, however, be quasi-judicial. It is envisaged that the processing of claims would be carried out principally by the commissioners. Before proceeding to the verification of claims and evaluation of losses, however, a determination will have to be made as to whether the losses for which claims are presented fall within the meaning of paragraph 16 of resolution 687 (1991), that is to say, whether the loss, damage or injury is direct and as a result of Iraq's unlawful invasion and occupation of Kuwait." (S/22559, paragraph 25).

4. The Panel is entrusted with three tasks in the present proceedings. First, the Panel is required to determine whether the various types of losses alleged by the claimants are within the jurisdiction of the Commission, i.e., whether the losses were caused directly by Iraq's invasion and occupation of Kuwait. Second, the Panel has to verify whether the alleged losses that are in principle compensable have in fact been incurred by a given claimant. Third, the Panel is required to determine whether these compensable losses were incurred in the amounts claimed, and if not, the appropriate quantum for the loss based on the evidence before the Panel.

5. In fulfilling these tasks, the Panel considered that the vast number of claims before the Commission and the time limits in the Rules necessitated the use of an approach which is itself unique, but the principal characteristics of which are rooted in generally accepted procedures for claim determination, both domestic and international. It involves the employment of well established general legal standards of proof and valuation methods that have much experience behind them. The resultant process is essentially documentary rather than oral, and inquisitorial rather than adversarial. This method carefully balances the twin objectives of speed and accuracy. It also permits the efficient resolution of the thousands of claims filed by corporations with the Commission.

B. The procedural history of the claims in the fourth instalment

6. The claims submitted to the Panel in this instalment and addressed in this report were selected by the secretariat of the Commission from among the construction and engineering claims (the "'E3' Claims") on the basis of established criteria. These include the date of filing and compliance by claimants with the requirements established for claims submitted by corporations and other legal entities (the "category 'E' claims").

7. On 29 July 1998, the Panel issued a procedural order relating to the claims. In view of:

(a) the apparent complexity of the issues raised;

(b) the volume of the documentation underlying the claims; and/or

(c) the compensation sought by the claimants, the Panel decided to classify each of the claims as "unusually large or complex" within the meaning of article 38(d) of the Rules. In accordance with that Rule, the Panel decided to complete its review of the claims within 12 months of the date of its procedural order.

8. In view of the review period and the available information and documentation, the Panel determined that it was able to evaluate the claims without additional information or documents from the Government of Iraq. Nonetheless, due process, the provision of which is the responsibility of the Panel, has been achieved by the insistence of the Panel on the observance by claimants of the article 35(3) requirement for sufficient documentary and other appropriate evidence.

9. Prior to presenting the fourth instalment to the Panel, the secretariat performed a preliminary assessment of each claim in order to determine whether the claim met the formal requirements established by the Governing Council in article 14 of the Rules. For those claims that did not meet the formal requirements, each claimant was notified of the deficiencies and invited to provide the necessary information.

10. Further, a review of the legal and evidentiary basis of each claim identified specific questions as to the evidentiary support for the alleged loss. It also highlighted areas of the claim in which further information and documentation was required. Consequently, questions and requests for additional documentation were transmitted to the claimants pursuant to the Rules. Upon receipt of the responses and additional documentation, a detailed factual and legal analysis of each claim was conducted.

11. That analysis brought to light the fact that many claimants lodged little material of a genuinely probative nature when they initially filed their claims. It also appears that many claimants did not retain clearly relevant documentation and were unable to provide it when asked for it. Indeed, some claimants have destroyed documents in the course of a normal administrative process without distinguishing between documents with no long term purpose and documents necessary to support the claims that claimants had already put forward. Finally, some claimants did not respond to requests for further information and evidence. The consequence has inevitably been that for a large number of loss elements the Panel has been unable to recommend any compensation. The Panel returns to this topic later.

12. The Panel performed a thorough and detailed factual and legal review of the claims. The Panel has assumed an investigative role that goes beyond reliance merely on information and argument supplied with the claims as presented. After a review of the relevant information and documentation, the Panel made initial determinations as to the compensability of the loss elements of each claim. Next, comprehensive reports on each of the claims were prepared focusing on the appropriate valuation of each of the compensable losses, and on the question of whether the evidence produced by the claimant was sufficient in accordance with article 35(3) of the Rules.

13. The valuation analysis ensures clarity and consistency in the application of certain valuation principles to the construction and engineering claims. Each loss element was individually analysed according to a set of instructions provided by the Panel. The cumulative effect was one of the following: (a) a recommendation of full compensation for the alleged loss; (b) an adjustment to the amount of the alleged loss; or (c) a recommendation of no compensation.

C. The claimants

14. This report contains the Panel's findings with respect to the following claims for losses allegedly caused directly by Iraq's invasion and occupation of Kuwait:

(a) Alpha Professional Services Pty. Ltd., a corporation organised under the laws of Australia, which seeks compensation in the total amount of US$8,094,239;

(b) Technocon Limited, a corporation organised under the laws of the People's Republic of Bangladesh, which seeks compensation in the total amount of US$11,386,640;

(c) Mendes Junior S.A., a corporation organised under the laws of the Federative Republic of Brazil, which seeks compensation in the total amount of US$146,529,528;

(d) Technoimportexport AD, a corporation organised under the laws of the Republic of Bulgaria, which seeks compensation in the total amount of US$17,488,097;

(e) Mechel Contractors (Overseas) Ltd., a corporation organised under the laws of the Republic of Cyprus, which seeks compensation in the total amount of US$11,166,672;

(f) Strojexport Company Limited, a corporation organised under the laws of the Czech Republic, which seeks compensation in the total amount of US$99,525,690;

(g) Sochata S.A., a corporation organised under the laws of the French Republic, which seeks compensation in the total amount of US$18,086,277;

(h) Som Datt Builders Limited, a corporation organised under the laws of the Republic of India, which seeks compensation in the total amount of US$120,671,601;

(i) Snamprogetti SpA, a corporation organised under the laws of the Italian Republic, which seeks compensation in the total amount of US$68,594,738;

(j) Samsung Engineering and Construction Co. Ltd., a corporation organised under the laws of the Republic of Korea, which seeks compensation in the total amount of US$78,791,431;

(k) Construction Company "Pelagonija", a corporation organised under the laws of the Former Yugoslav Republic of Macedonia, which seeks compensation in the total amount of US$198,915,387;

(l) Dromex Roads and Bridges Construction Export Enterprise, a corporation organised under the laws of the Republic of Poland, which seeks compensation in the total amount of US$41,479,821;

(m) China Nonferrous Metal Industries Corporation, a corporation organised under the laws of the People's Republic of China, which seeks compensation in the total amount of US$42,308,482;

(n) Nassir Hazza Al-Subaei & Brothers Co., Ltd., a corporation organised under the laws of the Kingdom of Saudi Arabia, which seeks compensation in the total amount of US$11,699,415;

(o) Dodsal Pte. Ltd., a corporation organised under the laws of the Republic of Singapore, which seeks compensation in the total amount of US$22,646,081;

(p) IMP Inzeniring, Montaza, Proizvodnja d.d, a corporation organised under the laws of the Republic of Slovenia, which seeks compensation in the total amount of US$62,541,905;

(q) STFA Elta Elektrik Tesisleri A.S., a corporation organised under the laws of the Republic of Turkey, which seeks compensation in the total amount of US$14,782,121;

(r) ABB Lummus Crest Inc., a corporation organised under the laws of the United States of America, which seeks compensation in the total amount of US$28,600,308; and

(s) STATE ENTERPRISE FOREIGN ECONOMIC ASSOCIATION 'MACHINOIMPORT' SE/VO 'MACHINOIMPORT', a corporation organised under the laws of the Russian Federation, which seeks compensation in the total amount of US$812,594,345.

15. The Panel finalised its findings and recommendations with respect to twelve of the claims included in the fourth instalment on 25 June 1999. The Panel finalised its findings and recommendations with respect to the remaining seven claims included in the fourth instalment on 30 July 1999.

16. In drafting this report, the Panel has not included specific citations from restricted or non-public documents that were produced or made available to it for the completion of its work.

II. LEGAL FRAMEWORK

A. Applicable law

17. In paragraph 16 of resolution 687 (1991), the Security Council:

> "Reaffirms that Iraq, without prejudice to the debts and obligations of Iraq arising prior to 2 August 1990, which will be addressed through the normal mechanisms, is liable under international law for any direct loss, damage, including environmental damage and the depletion of natural resources, or injury to foreign Governments, nationals and corporations, as a result of Iraq's unlawful invasion and occupation of Kuwait".

18. The sources of the law and principles to be applied by the Panel are set out in article 31 of the Rules:

> "In considering the claims, Commissioners will apply Security Council resolution 687 (1991) and other relevant Security Council resolutions, the criteria established by the Governing Council for particular categories of claims, and any pertinent decisions of the Governing Council. In addition, where necessary, Commissioners shall apply other relevant rules of international law."

B. Liability of Iraq

19. When adopting resolution 687 (1991), the Security Council acted under chapter VII of the Charter of the United Nations which provides for maintenance or restoration of international peace and security. The Security Council also acted under chapter VII when adopting resolution 692 (1991), in which it decided to establish the Commission and the Compensation Fund referred to in paragraph 18 of resolution 687 (1991). Specifically, under resolution 687 (1991), the issue of Iraq's liability for losses falling within the Commission's jurisdiction is resolved and is not subject to review by the Panel.

20. In this context, it is necessary to address the meaning of the term "Iraq". In Governing Council decision 9 (S/AC.26/1992/9) and other Governing Council decisions, the word "Iraq" was used to mean the Government of Iraq, its political subdivisions, or any agency, ministry, instrumentality or entity (notably public sector enterprises) controlled by the Government of Iraq. In the Report and Recommendations Made by the Panel of Commissioners Concerning the Fifth Instalment of "E3" Claims (the "Fifth Report", S/AC.26/1999/2), the Panel adopted the presumption that for contracts performed in Iraq, the other contracting party was an Iraqi Government entity. This presumption is also adopted for the claims reviewed in this report.

C. The "arising prior to" clause

21. The Panel recognises that it is difficult to establish a fixed date for the exclusion of its jurisdiction that does not contain an arbitrary element. With respect to the interpretation of the "arising prior to" clause in paragraph 16 of Security Council resolution 687 (1991), the Panel of Commissioners that reviewed the first instalment of "E2" claims concluded that the "arising prior to" clause was intended to exclude the foreign debt of Iraq which existed at the time of Iraq's invasion of Kuwait from the jurisdiction of the Commission. As a result, the "E2" Panel found that:

> "In the case of contracts with Iraq, where the performance giving rise to the original debt had been rendered by a claimant more than three months prior to 2 August 1990, that is, prior to 2 May 1990, claims based on payments owed, in kind or in cash, for such performance are outside of the jurisdiction of the Commission as claims for debts or obligations arising prior to 2 August 1990." (the "E2" Report, S/AC.26/1998/7, paragraph 90).

22. That report was approved by the Governing Council. Accordingly, this Panel adopts for the purpose of this report the early interpretation which is to the following effect:

(a) the phrase "without prejudice to the debts and obligations of Iraq arising prior to 2 August 1990, which will be addressed through normal mechanisms" was intended to have an exclusionary effect on the Commission's jurisdiction, i.e., such debts and obligations are not compensable by the Commission;

(b) the limitation contained in the clause "arising prior to 2 August 1990" was intended to leave unaffected the debts and obligations of Iraq which existed prior to Iraq's invasion and occupation of Kuwait; and

(c) the terms "debts" and "obligations" should be given the customary and usual meanings applied to them in ordinary discourse.

23. Thus, the Panel accepts that, in general, a claim relating to a "debt or obligation arising prior to 2 August 1990" means a debt and/or obligation that is based on work performed or services rendered prior to 2 May 1990.

D. Application of the "direct loss" requirement

24. Paragraph 21 of Governing Council decision 7 (S/AC.26/1991/7) is the seminal rule on "directness" for category "E" claims. It provides in relevant part that compensation is recoverable for:

> "... any direct loss, damage, or injury to corporations and other entities as a result of Iraq's unlawful invasion and occupation of Kuwait. This will include any loss suffered as a result of:

(a) Military operations or threat of military action by either side during the period 2 August 1990 to 2 March 1991;

(b) Departure of persons from or their inability to leave Iraq or Kuwait (or a decision not to return) during that period;

(c) Actions by officials, employees or agents of the Government of Iraq or its controlled entities during that period in connection with the invasion or occupation;

(d) The breakdown of civil order in Kuwait or Iraq during that period; or

(e) Hostage-taking or other illegal detention."

25. The text of paragraph 21 of decision 7 is not exhaustive and leaves open the possibility that there may be causes of "direct loss" other than those enumerated. Paragraph 6 of decision 15 of the Governing Council (S/AC.26/1992/15) confirms that there "will be other situations where evidence can be produced showing claims are for direct loss, damage or injury as a result of Iraq's unlawful invasion and occupation of Kuwait". Should that be the case, the claimants will have to prove specifically that a loss that was not suffered as a result of one of the five categories of events set out in paragraph 21 of decision 7 is nevertheless "direct". Paragraph 3 of decision 15 emphasises that for any alleged loss or damage to be compensable, the "causal link must be direct". (See also paragraph 9 of decision 9).

26. While the phrase "as a result of" contained in paragraph 21 of decision 7 is not further clarified, Governing Council decision 9 provides guidance as to what may be considered "losses suffered as a result of" Iraq's invasion and occupation of Kuwait. It identifies the three main categories of loss types in the "E" claims: losses in connection with contracts, losses relating to tangible assets and losses relating to income-producing properties. Thus, decisions 7 and 9 provide specific guidance to the Panel as to how the "direct loss" requirement must be interpreted.

27. In the light of the decisions of the Governing Council identified above, the Panel has reached certain conclusions as to the meaning of "direct loss". These conclusions are set out in the following paragraphs.

28. With respect to physical assets in Iraq or in Kuwait as at 2 August 1990, a claimant can prove a direct loss by demonstrating two matters. First, that the breakdown in civil order in these countries, which resulted from Iraq's invasion and occupation of Kuwait, caused the claimant to evacuate its employees. Second, as set forth in paragraph 13 of decision 9, that the claimant left physical assets in Iraq or in Kuwait.

29. With respect to losses relating to contracts to which Iraq was a party, force majeure or similar legal principles are not available as a defence to the obligations of Iraq.

30. With respect to losses relating to contracts to which Iraq was not a party, a claimant may prove a direct loss if it can establish that Iraq's invasion and occupation of Kuwait or the breakdown in civil order in Iraq or Kuwait following Iraq's invasion caused the claimant to evacuate the personnel needed to perform the contract.

31. In the context of the losses set out above, reasonable costs which have been incurred to mitigate those losses are direct losses. The Panel bears in mind that the claimant was under a duty to mitigate any losses that could have been reasonably avoided after the evacuation of its personnel from Iraq or Kuwait.

32. These findings regarding the meaning of "direct loss" are not intended to resolve every issue that may arise with respect to the Panel's interpretation of Governing Council decisions 7 and 9. Rather, these findings are intended as initial parameters for the review and evaluation of the claims in the present report.

E. Date of loss

33. There is no general principle with respect to the date of loss. It needs to be addressed on a case by case basis. In addition, the individual loss elements of each claim may give rise to different dates if analysed strictly. However, applying a different date to each loss element within a particular claim is impracticable as a matter of administration. Accordingly, the Panel has decided to determine a single date of loss for each claimant which in most cases coincides with the date of the collapse of the project.

F. Currency exchange rate

34. While many of the costs incurred by the claimants were denominated in currencies other than United States dollars, the Commission issues its awards in that currency. Therefore the Panel is required to determine the appropriate rate of exchange to apply to losses expressed in other currencies.

35. Several of the claimants have argued that their contracts contain currency exchange rates and, therefore, that these contractually agreed exchange rates should apply to all of their losses. The Panel agrees that, as a general rule, the exchange rate set forth in the contract is the appropriate rate for losses under the relevant contracts because this was specifically agreed by the parties.

36. For losses that are not contract based, however, the contract rate is not usually an appropriate rate of exchange. In the claims before the Panel, the valuation of tangible assets was not contemplated by the parties when agreeing to an exchange rate in the underlying contracts. In addition, these types of items are readily traded on the international markets. A rate of exchange determined by reference to such international trading appears to this Panel to be an appropriate one to apply to such claims. In this context, the United Nations Monthly Bulletin of Statistics

has been the source of commercial exchange rates for all preceding Commission awards. Therefore, for non-contractual losses, the Panel finds the appropriate exchange rate to be the prevailing commercial rate, as evidenced by the United Nations Monthly Bulletin of Statistics, on the date of loss.

G. Interest

37. On the issue of the appropriate interest rate to be applied, the relevant Governing Council decision is decision 16 (S/AC.26/1992/16). According to that decision, "[i]nterest will be awarded from the date the loss occurred until the date of payment, at a rate sufficient to compensate successful claimants for the loss of use of the principal amount of the award". In decision 16 the Governing Council further specified that "[i]nterest will be paid after the principal amount of awards", while postponing any decision on the methods of calculation and payment.

38. The Panel recommends that interest shall run from the date of loss.

H. Evidentiary requirements

39. Pursuant to article 35(3) of the Rules, corporate claims must be supported by documentary and other appropriate evidence sufficient to demonstrate the circumstances and amount of the claimed loss. The Governing Council has stated in paragraph 5 of decision 15 that, with respect to business losses, there "will be a need for detailed factual descriptions of the circumstances of the claimed loss, damage or injury" in order to justify a recommendation for compensation.

40. The Panel takes this opportunity to emphasise that what is required of a claimant by article 35(3) of the Rules is the presentation to the Commission and the Panel of evidence that must go to both causation and quantum. The Panel's interpretation of what is appropriate and sufficient evidence will vary according to the nature of the claim. That standard is also affected by the fact that, in the case of the claims which are the subject of this report, Iraq's input is limited to the participation defined by article 16 of the Rules. In implementing this approach, the Panel applied the relevant principles extracted from those within the corpus of principles referred to in article 31 of the Rules. The Panel returns to this important topic at paragraph 46 and following.

I. Claims preparation costs

41. Numerous claimants sought to recover compensation for the cost of preparing their claims. The compensability of claim preparation costs has not hitherto been ruled on and will be the subject, in due course, of a specific decision by the Governing Council. Accordingly, the Panel makes no recommendation with respect to costs of claim preparation in any of the claims where it is raised.

III. AMPLIFICATION OF THE REVIEW PROCESS: THE PROCEDURE

42. The Panel has now had the opportunity to review a considerable number of claims in the population of construction and engineering claims allocated to it. It has had the opportunity to analyse many of the issues that are likely to arise in these construction cases; and has had the benefit of many decisions by other Panels. In the result, this is a convenient time and place for it to address two matters. First, it wishes to make some comments on the procedure involved in evaluating the claims put before it and of formulating recommendations for the consideration of the Governing Council. Second, and at a later stage, it will turn to some analyses of recurrent issues. The comments on procedure are for the purpose of bringing transparency to the decision making process of this Panel.

A. Consistency in Panel decisions

43. It may be that the Anglo-Saxon doctrine of precedent should not apply to the deliberations and recommendations of the Panels. Nonetheless, once a motivated recommendation of one Panel is adopted by a decision of the Governing Council, it is something to which other Panels must give great weight.

44. One may assume that there has been a claim upon which a Panel has already issued a recommendation supported by a full analysis. A subsequent claim is then presented to another Panel. As it happens, that subsequent claim manifests the same characteristics as the prior claim. In that event, the second Panel will follow the principle developed by the prior Panel. Of course, there may still be differences inherent in the two claims at the level of proof of causation or quantum. Nonetheless the principle will be the same.

45. Alternatively, that second claim will manifest different characteristics to the first claim. In that event, those different characteristics may give rise to a different issue of principle and thus warrant a different conclusion by the subsequent Panel to that of the previous Panel.

B. Evidence of loss

1. Sufficiency of evidence

46. At the end of the day, claims that are not supported by sufficient and appropriate evidence fail. And in the context of the construction claims that are before this Panel, the most important evidence is documentary. It is in this context that the Panel records that a syndrome which it found striking when it addressed the claims included in the Fifth Report has continued to manifest itself in the claims included in this report. This was the reluctance of claimants to make critical documentation available to the Panel.

47. Imperatively, the express wording of decision 46 of the Governing Council requires that "... claims received in categories "D", "E", and "F" must be supported by documentary and other appropriate evidence sufficient to demonstrate the circumstances and amount of the claimed loss...". In this same decision, the Governing Council decided that "...no loss shall be compensated by the Commission solely on the basis of an explanatory statement provided by the claimant,...". (S/AC.26/1998/46)

48. Also on 16 September 1998, the Panel exercised its power under the Rules by issuing Procedural Orders in connection with this instalment. These Orders required each claimant, pursuant to articles 9, 35(3), 35(4), 36 and 38(d) of the Rules, to submit by 30 November 1998 responses to the "Questions to the Claimant" annexed to the Procedural Order. Among other things considerable emphasis was placed on the need for the claimant to provide sufficient documentary and other appropriate evidence to the Commission.

49. Thus there is an obligation to provide the relevant documentary evidence on both the first filing of a claim, and on subsequent steps.

50. Upon review of the claims in this instalment, the Panel records again that many claimants did not consider it appropriate to comply with the requirements of the Rules in this respect.

51. Most remarkable among the examples before the Panel in the present instalment was the claimant who simply refused, on grounds that it would constitute a breach of Iraqi security laws, to provide the contract out of which its claim for compensation was said to arise.

52. Of course, this example is extreme. However, the same problem reappears in many of the other claims in this instalment in a less dramatic fashion, and in various manifestations. The manifestations include the following:

(a) the claimant asserts that the documents which evidence the claim can be viewed, if so desired, at various locations around the globe; and

(b) the claimant seeks to explain the lack of documentation by asserting that all the documentation was in areas of civil disorder and was destroyed, or, at least, cannot be accessed.

53. However, it is principally for claimants to bring to the Commission in Geneva, Switzerland, the documents upon which they wish to rely. It is only in special circumstances, where the generic problems of the particular type of claim or the sheer magnitude of the task requires on-site investigation, that a departure from this rule can be justified.

54. Further, every single claimant is or was based outside Iraq and is or was engaged in projects worth many tens if not hundreds of millions of United States dollars. The Panel is quite simply unprepared to believe that relevant duplicates of important documents, if not original records, were not kept at offices outside Iraq.

55. What is more, the absence of any relevant contemporary record to support a particular claim means that the claimant is inviting the Panel to make an award, often of millions of dollars, on no foundation other than the assertion of the claimant. This would not satisfy the "sufficient evidence" rule in article 35(3) of the Rules. It is something that the Panel is unable to do.

2. Sufficiency of evidence under article 35 (3): The obligation of disclosure

56. Next in the context of the documentary evidence, this Panel wishes to highlight that claims must be supported by sufficient documentary and other appropriate evidence. This involves bringing to the attention of the Commission all material aspects of the claim, whether such aspects are seen by the claimant as beneficial to or reductive of its claims. The obligation is not dissimilar to good faith requirements under domestic jurisdictions.

3. Missing documents: The nature and adequacy of the paper trail

57. The Panel now turns to the question of what a claimant must do.

58. Where documents cannot be supplied, their absence must be explained in a credible manner. The explanation must itself be supported by the appropriate evidence. Claimants may also supply substitute documentation for or information about the missing documents. Claimants must remember that the mere fact that they suffered a loss at the same time as the hostilities in the Persian Gulf were starting or were in process does not mean that the loss was directly caused by Iraq's invasion and occupation of Kuwait. A causative link must be established. It should also be borne in mind that it was not the intention of the Security Council in its resolutions to provide a "new for old" basis of reimbursement of the losses suffered in respect of tangible property. Capital goods depreciate. That depreciation must be taken into account and demonstrated in the evidence filed with the Commission. In sum, in order for evidence to be considered appropriate and sufficient to demonstrate a loss, the Panel expects claimants to present to the Commission a coherent, logical and sufficiently evidenced file leading to the financial claims that they are making.

59. Of course, the Panel recognises that in time of civil disturbances, the quality of proof may fall below that which would be submitted in a peace time situation. Persons who are fleeing for their lives do not stop to collect the audit records. Allowances have to be made for such vicissitudes. But the fact that offices on the ground in Kuwait, for example, were looted and/or destroyed would not explain why claimants have not produced documentary records that would reasonably be expected to be found at claimants' head offices situated in other countries.

60. The Panel has approached the claims in the light of the general and specific requirements to produce documents noted above. Where there has been a lack of documentation, combined with no or no adequate explanation for that lack, and an absence of alternative evidence to make good any part

of that lack, the Panel has had no opportunity or basis upon which to make a recommendation.

C. Amending claims after filing

61. In the course of the administration of the claims after they have been filed with the Commission, further information is sought from the claimants pursuant to the Rules. When the claimants respond they sometimes seek to use the opportunity to amend their claims. They add new loss elements. They increase the amount originally sought in respect of a particular loss element. They transfer monies between or otherwise adjust the calculation of two or more loss elements. They do all of these.

62. The Panel notes that the period for filing category "E" claims expired on 1 January 1996. The Governing Council approved a mechanism for these claimants to file unsolicited supplements until 11 May 1998. A response, post 11 May 1998, to an inquiry for additional evidence is not an opportunity for a claimant to increase the quantum of a loss element or elements or to seek to recover in respect of new loss elements. In these circumstances, the Panel is unable to take into account such increases nor such new loss elements when it is formulating its recommendation to the Governing Council. It does, however, take into account additional documentation where that is relevant to the original claims, either in principle or in detail. It also exercises its inherent powers to re-characterise a loss which is properly submitted as to time, but is inappropriately allocated.

63. Some claimants also file unsolicited submissions. These too sometimes seek to increase the original claim in the ways indicated in the previous paragraph. Such submissions when received after 11 May 1998 fall to be treated in the same way as amendments put forward in solicited supplements. Accordingly the Panel is unable to, and does not, take into account such amendments when it is formulating its recommendation to the Governing Council.

IV. AMPLIFICATION OF THE REVIEW PROCESS: RECURRENT SUBSTANTIVE ISSUES

64. As noted above, the Panel has now had the opportunity to review a considerable number of claims in the population of construction and engineering claims allocated to it. It has had the opportunity to analyse many of the issues that are likely to arise in these construction contracts; and has had the benefit of many decisions by other Panels. It has dealt above, in Part III, with the procedure involved in evaluating the claims put before it and of formulating recommendations for the consideration of the Governing Council. It now turns to some analyses of the recurrent substantive issues that ârise in construction contracts.

65. Many issues arise more than once in the various claims that are included in this instalment. Rather than repeat the Panel's analysis seriatim each time such an issue arises, it is convenient to address the principle in a paragraph at an early stage of this report.

66. The purpose of this exercise is the provision of a template for the individual claims, with the aim of compressing the reports of this Panel. It also makes available an analysis of key issues in a convenient place and format.

67. Some of these principal issues have been addressed in the procedural history and legal framework above. Others are addressed in this section of the report.

A. Contract losses

1. Advance payments

68. Many construction contracts provide for an advance payment to be made by the employer to the contractor. These advance payments are often calculated as a percentage of the initial price (initial, because many such contracts provide for automatic and other adjustments of the price during the execution of the works). The purpose of the advance payment is to facilitate certain activities which the contractor will need to carry out in the early stages.

69. Mobilisation is often one such activity. Plant and equipment may need to be purchased. A workforce will have to be assembled and transported to the work site, where facilities will be needed to accommodate it. Another such activity is the ordering of substantial or important materials which are in short supply and may, therefore, be available only at a premium and/or at a long lead time.

70. Advance payments are usually secured by a bond provided by the contractor, and are usually paid upon the provision of the bond. They are frequently repaid over a period of time by way of deduction by the employer from the sums which are payable at regular intervals (often monthly) to the contractor for work done. See, in the context of payments which are recovered over a period of time, the observations about amortisation at paragraph 128, infra. Those observations apply mutatis mutandis to the repayment of advance payments.

71. The Panel notes that some claimants presenting claims have not clearly accounted for the amounts of money paid to them earlier by the Iraqi employer. This Panel regularly sees evidence of advance payments amounting to tens of millions of United States dollars. The Panel would expect these payments to be deductible from the claimed amounts for contract losses. It follows that where advance payments have been part of the contractual arrangements between the claimant and the employer, the claimant must account for these payments in reduction of its claims, unless these payments can be shown to have been recouped in whole or in part by the employer. Where no explanation or proof of repayment is forthcoming, the Panel has no option but to conclude that these amounts paid in advance are due, on a final accounting, to the employer, and must be deducted from the claimant's claim.

2. Contractual arrangements to defer payments

(a) The analysis of "old debt"

72. Where payments are deferred under the contracts upon which the claims are based, an issue arises as to whether the claimed losses are "debts and obligations arising prior to 2 August 1990" and therefore outside the jurisdiction of the Commission.

73. In its first report, the "E2" Panel interpreted Security Council resolution 687 (1991) as intending to eliminate what may be conveniently called "old debt". In applying this interpretation to the case before it the "E2" Panel identified, as "old debt", cases where the performance giving rise to the original debt had been rendered by a claimant more than three months prior to 2 August 1990, that is, prior to 2 May 1990. In those cases, claims based on payments owed, in kind or in cash, for such performance are outside of the jurisdiction of the Commission as claims for debts or obligations arising prior to 2 August 1990. "Performance" as understood by the Panel for purposes of this rule meant complete performance under a contract, or partial performance, so long as an amount was agreed to be paid for that portion of completed partial performance. In the case the "E2" Panel was considering, the work under the contract was clearly performed prior to 2 May 1990. However, the debts were covered by a form of deferred payments agreement dated 29 July 1984. This agreement was concluded between the parties to the original contracts and postdated the latter.

74. In its analysis, the "E2" Panel found that deferred payments agreements go to the very heart of what the Security Council described in paragraph 16 of resolution 687 as a debt of Iraq arising prior to 2 August 1990. It was this very kind of obligation which the Security Council had in mind when, in paragraph 17 of resolution 687 (1991), it directed Iraq to "adhere scrupulously" to satisfying "all of its obligations concerning servicing and repayment". Therefore, irrespective of whether such deferred payment arrangements may have created new obligations on the part of Iraq under a particular applicable municipal law, they did not do so for the purposes of resolution 687 (1991) and are therefore outside the jurisdiction of this Commission.

75. The arrangements that the "E2" Panel was considering were not arrangements that arose out of genuine arms' length commercial transactions, entered into by construction companies as part and parcel of their normal businesses. Instead the situation which the "E2" Panel was addressing was described as follows:

> "The negotiation of these deferred payment arrangements was typically conducted with Iraq not by the contractor or supplier itself, but rather by its Government. Typically, the Government negotiated on behalf of all of the contracting parties from the country concerned who were in a similar situation. The deferred payment arrangements with Iraq were commonly entered into under a variety of forms, including complicated crude oil barter arrangements under which Iraq

> would deliver certain amounts of crude oil to a foreign State to satisfy consolidated debts; the foreign State then would sell the oil and, through its central bank, credit particular contractors' accounts." (S/AC.26/1998/7, paragraph 93).
>
> "Iraq's debts were typically deferred by contractors who could not afford to "cut their losses" and leave, and thus these contractors continued to work in the hope of eventual satisfaction and continued to amass large credits with Iraq. In addition, the payment terms were deferred for such long periods that the debt servicing costs alone had a significant impact on the continued growth of Iraq's foreign debt." (S/AC.26/1998/7, paragraph 94).

76. This Panel agrees.

(b) Application of the "old debt" analysis

77. In the application of this analysis to cases other than those considered by the "E2" Panel, there are two aspects which are worth mentioning.

78. The first is that the problem does not arise where the actual work has been done after the 2 May 1990. The deferment is irrelevant. The issue resolves itself in these cases into the simple one of proof of the execution of the work, the quantum, the non payment and causation.

79. The second concerns the ambit of the above analysis. As noted above, the claims which led to the above analysis arose out of "non-commercial" arrangements. They were situations where the original terms of payment entered into between the parties had been renegotiated during the currency of the contract and/or the negotiations or renegotiations were driven by inter-governmental exchanges. Such arrangements were clearly the result of the impact of Iraq's increasing international debt.

80. Thus one can see underlying the "E2" Panel analysis two important factors. The first was the subsequent renegotiation of an existing contract's payment terms to the detriment of the claimant (contractor). The second was the influence on contracts of the transactions between the respective governments. In both cases, a key element underlying the arrangements must be the impact of Iraq's mountain of old debt.

81. In the view of this Panel, where either of these factors is wholly or partially the explanation of the "loss" suffered by the claimant, then that loss or the relevant part of it is outside the jurisdiction of the Commission and cannot form the basis of recommendation by a Panel. It is not necessary that both factors be present. A contract that contained deferment provisions as originally executed would still be caught by the "arising prior to" rule if the contract was the result of an intergovernmental agreement driven by the exigencies of Iraq's financial problems. It would not be a commercial transaction so much as a political agreement, and the "loss" would not be a loss falling within the jurisdiction of the Commission.

(c) Arms' length arrangements to defer payment: Builder as financier

82. However the above analysis, while it is comprehensive, is not exhaustive. It seems to this Panel that, at the very least, it does not cover those contracts which not only had always contained a provision for deferment (where such a provision was part and parcel of the basis upon which the contractor bid for and won the job); but where the undertaking of the financing of the project was a normal part of the claimant's business, or where the decision to finance had been a straightforward commercial decision of the claimant.

83. There is no doubt that contractors increasingly take on the role of financier as well as that of builder. There is no reason why they should not do so. It is a matter of commercial decision. It is a trend particularly to be found in major energy and infrastructure projects. It is a feature of what are sometimes called BOT contracts - BOT standing for Build, Operate, Transfer. Often it is an arrangement which is found where it is anticipated that revenue generated by whatever has been constructed - income from the sale of liquid petroleum gas; tolls levied on the users of a road; and so forth - will provide both revenue for the employer and reimbursement for the contractor.

84. These arrangements are, by contrast with those contracts discussed by the "E2" Panel, commercial arms' length transactions. They are not necessarily a function of Iraq's pre-existing debt. Of course, they are a fairly new development on the economic horizon of the construction and the energy world. They are attractive to an authority or government that is short of money. Equally, the drive to let contracts on this basis often stems from the reluctance of the employer to incur the whole risk of the huge costs of the initial development. But there are also plenty of examples to be seen in the commercial world of governments and statutory undertakers who are awash with money who nonetheless choose to proceed in this way. After all, such a contract puts the employer in an attractive position. It does not have to risk any money of its own; and if all goes well, in a few years it will have a working productive capital asset. The financial package is attractive; and that is the principal motive for an employer to enter into such an arrangement.

85. Therefore in the cases under consideration by this Panel, it is necessary to identify and distinguish those construction contracts that have come into being or been modified in order to meet the problems thrown up by Iraq's old international debt and those where purely commercial considerations have applied. It is not sufficient simply to highlight the fact that the contractual arrangements provide for deferred payments, and then to conclude that the "old debt" rule applies. While it is right that, in the context of Iraq, the presence of arrangements for a substantial deferment of the payment of considerable sums must prima facie suggest that the case is one of "old debt", nonetheless a deeper analysis must follow.

86. If that analysis fails to displace the prima facie conclusion, then the "old debt" principle applies, and the Panel lacks jurisdiction.

87. If however that analysis displaces the prima facie conclusion and shows the arrangements to be genuinely commercial, then different considerations apply.

88. In that event, the arrangements should, prima facie, be analysed in a manner comparable to a standard commercial loan agreement. In such an agreement, a loan is made at one point in time and is repaid later. The re-payment may be by way of a single payment or by a series of instalments. In either case, it would not be sufficient, in the case of a claim to the Commission by the lender, to look simply at the date the loan was made in order to determine whether the Commission had jurisdiction. Instead, it is necessary to look at the date or dates on which the repayment or repayments were to be made.

(d) Commercial arrangements for deferred payments in construction contracts - Legal bases

89. The necessity of the approach identified in the immediately preceding paragraph is supported, if not dictated, by both of two legal analyses. One analysis derives from Roman law. A contract of loan under Roman law is not synallagmatic. The only "performance" is by the borrower. The making of the loan by the lender is not performance properly so called, but the act which creates the contractual relationship. The Commission's jurisdiction will encompass claims by lenders for instalments which were not but should have been repaid during the period of the invasion and occupation of Kuwait.

90. The other analysis derives from the common law. Under that analysis, the lender has a continuing (negative) obligation not to seek recovery of the loan other than in accordance with the terms of the contract of loan. Failing to observe this obligation - for example, by a bank calling in a loan prior to the due date - would be a breach of contract sounding in damages. On this analysis, there is continuing performance by the lender while the loan is properly outstanding in whole or in part. Again, the Commission's jurisdiction would encompass a claim in respect of instalments of the loan which should have been repaid but were not during the period of the invasion and occupation of Kuwait.

91. In the view of this Panel, the same principle applies to those construction contracts where, as part of a genuine arm's length transaction, a contractor has taken on the role of financing the project as well as constructing it.

3. Losses arising as a result of unpaid retentions

92. The claims before this Panel include requests for compensation for what could be described as another form of deferred payment, namely unpaid retention.

93. Under many if not most construction contracts, provision is made for the regular payment to the contractor of sums of money during the performance of the work under the contract. The payments are often

monthly, and often calculated by reference to the amount of work that the contractor has done since the last regular payment was calculated.

94. Where the payment is directly related to the work done, it is almost invariably the case that the amount of the actual (net) payment is less than the contractual value of the work done. This is because the employer retains in his own hands a percentage (usually 5 per cent or 10 per cent and with or without an upper limit) of that contractual value. (The same approach usually obtains as between the contractor and his subcontractors.) The retained amount is often called the "retention" or the "retention fund". It builds up over time. The less work the contractor had carried out before the project comes to an early halt, the smaller the fund.

95. The retention is usually payable in two stages, one at the commencement of the maintenance period, as it is often called, and the other at the end. The maintenance period usually begins when the employer first takes over the project, and commences to operate or use it. Thus the work to which any particular sum which is part of the retention fund relates may have been executed a very long time before the retention fund is payable.

96. Retention fund provisions are very common in the construction world. The retention fund serves two roles. It is an encouragement to the contractor to make good defects appearing before or during the maintenance period. It also provides a fund out of which the employer can reimburse itself for defects that appear before or during the maintenance period which the contractor has, for whatever reason, failed or refused to make good.

97. In the claims before this Panel, events - in the shape of Iraq's invasion and occupation of Kuwait - have intervened. The contract has effectively come to an end. There is no further scope for the operation of the retention provisions. It follows that the contractor, through the actions of Iraq, has been deprived of the opportunity to recover the money. In consequence the claims for retention fall within the jurisdiction of the Commission.

98. In the light of the above considerations it seems to this Panel that the situation in the case of claims for retention is as follows:

(a) The evidence before the Commission may show that the project was in such trouble that it would never have reached a satisfactory conclusion. In such circumstances, there can be no positive recommendation, principally because there is no direct causative link between the loss and the invasion and occupation of Kuwait.

(b) Equally it may be the case that the evidence may show that the project would have reached a conclusion, but that there would have been problems to resolve. Accordingly the contractor would have had to expend money resolving those problems. That potential cost would have to be deducted from the claim for retention; and accordingly the most convenient

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course would be to recommend an award to the contractor of a suitable percentage.

(c) Finally, on the evidence it may be the case that there is no reason to believe or conclude that the project would have gone other than satisfactorily. In those circumstances, it seems that the retention claim should succeed.

4. Guarantees, bonds, and like securities

99. Financial recourse agreements are part and parcel of a major construction contract. Instances are (a) guarantees - for example given by parent companies, and/or through banks; (b) what are called "on demand" or "first demand" bonds (hereinafter "on demand bonds") which support such matters as bidding and performance; and (c) guarantees to support advance payments. (Arrangements with government sponsored bodies that provide what might be called "fall-back" insurance are in a different category. As to these, see paragraphs 109 to 117, *infra*).

100. Financial recourse arrangements give rise to particular problems when it comes to determining the claims lodged in the population of construction and engineering claims. A convenient and stark example is that of the on demand bond.

101. The purpose of an on demand bond is to permit the beneficiary to obtain moneys under the bond without having to prove default on the part of the other party - namely, in the situations under discussion here, the contractor executing the work. Such a bond is often set up by way of a guarantee given by the contractor or its parent to its own bank in its home state. That bank gives an identical bond to a bank (the second bank) in the state of the employer under the construction contract. In its turn, the second bank gives an identical bond to the employer. This leaves the employer, at least theoretically, in the very strong position of being able, without having to prove any default on the part of the contractor, to call down a large sum of money which will be debited to the contractor.

102. Of course, the contractor's bank will have two arrangements in place. First, an arrangement whereby it is secured as to the principal sum, the subject of the bond, in case the bond is called. Second, it will have arranged to exact a service charge, typically raised quarterly, half-yearly or annually.

103. Many claimants have raised claims in respect of the service charges; and also in respect of the principal sums. The former are often raised in respect of periods of years measured from the date of Iraq's invasion and occupation of Kuwait. The latter have, hitherto at least, been cautionary claims, in case the bonds are called in the future.

104. The Panel approaches this issue by observing that the strength of the position given to the employer by the on demand bond is sometimes more apparent than real. This derives from the fact that the courts of some countries are reluctant to enforce payment of such bonds if they feel that

there is serious abuse by the employer of its position. For example, where there is a persuasive allegation of fraud, some courts will be prepared to injunct the beneficiary from making a call on the bond. It is also the case that there may be remedies for the contractor in some jurisdictions when the bonds are called in circumstances that are clearly outside the original contemplation of the parties.

105. The Panel notes that most if not all contracts for the execution of major construction works by a contractor from one country in the territory of another country will have clauses to deal with war, insurrection and/or civil disorder. Depending on the approach of the relevant governing law to such matters, these provisions, if triggered, may have a direct or indirect effect on the validity of the bond. Direct, if under the relevant legal regime, the effects of the clause in the construction contract apply also to the bond; indirect if the termination or modification of the underlying obligation (the construction contract) gives rise to the opportunity to seek a forum-driven modification or termination of the liabilities under the bond.

106. In addition, the simple passage of time is likely to give rise to the right to treat the bond obligation as expired or unenforceable, or to seek a forum-driven resolution to the same effect.

107. In sum and in the context of Iraq's invasion and occupation of Kuwait and the time which has passed since then, it seems to the Panel that it is highly unlikely that on demand bond obligations of the sort the Panel has seen in the instalments it has addressed are alive and effective.

108. If that analysis is correct, then it seems to the Panel that claims for service charges on these bonds will only be sustainable in very unusual circumstances. Equally, claims for the principal will only be sustainable where the principal has in fact been irrevocably paid out and where the beneficiary of the bond had no factual basis to make a call upon the bond.

5. Export credit guarantees

109. Arrangements with government sponsored bodies that provide what might be called "fall-back" insurance are in a different case to guarantees generally. These forms of financial recourse have names such as "credit risk guarantees". They are in effect a form of insurance, often underwritten by the government of the territory in which the contractor is based. They exist as part of the economic policy of the government in question, in order to encourage trade and commerce by its nationals abroad.

110. Such guarantees often have a requirement that the contractor must exhaust all local remedies before calling on the guarantee; or must exhaust all possible remedies before making a call.

111. Claims have been made by parties for:

(a) reimbursement of the premia paid to obtain such guarantees; and also for

(b) shortfalls between the amounts recovered under such guarantees and the losses said to have been incurred.

In the view of the Panel, one of these types of claim is misconceived; and the other is mis-characterised.

112. The bodies that issue such guarantees have also made claims before the Commission for moneys paid out under such guarantees. These claims are an issue for another Panel.

113. A claim for the premia is misconceived. A premium paid for any form of insurance is not recoverable unless the policy is avoided. Once the policy is in place, either the event that the policy is intended to embrace occurs, or it does not. If it does, then there is a claim under the policy. If it does not then there is no such claim. In neither case does it seem to the Panel that the arrangements - prudent and sensible as they are - give rise to a claim for compensation for the premia. There is no "loss" properly so called or any causative link with Iraq's invasion and occupation of Kuwait.

114. Further, where a contractor has in fact been indemnified in whole or in part by such a body in respect of losses incurred as a result of Iraq's invasion and occupation of Kuwait, there is, _quanto tanto_, no longer any loss for which that contractor can claim to the Commission. Its loss has been made whole.

115. The second situation is that where a contractor claims for the balance between what are said to be losses incurred as a result of Iraq's invasion and occupation of Kuwait and what has been recovered from the guarantor.

116. Here the claim is mis-characterised. That balance may indeed be a claimable loss; but its claimability has nothing to do with the fact that the moneys represent a shortfall between what has been recovered under the guarantee and what has been lost. Instead, the correct analysis should start from a review of the cause of the whole of the loss of which the balance is all that remains. The first step is to establish whether there is evidence to support that whole sum, that it is indeed a sum that the claimant has paid out and/or failed to recover; and that there is the necessary causation. To the extent that the sum is established, then to that extent the claim is prima facie compensable. However, so far as there has been reimbursement by the guarantor, the loss has been made good, and there is nothing left to claim for. It is only if there is still some qualifying loss, not made good, that there is room for a recommendation of this Panel.

117. Finally, there are the claims by the bodies granting the credit guarantees who have paid out sums of money. They entered into an insurance arrangement with the contractor. In consideration of that arrangement, they required the payment of premia. As before, either the event covered by the insurance occurred or it did not. In the former case, the Panel would have thought that the guarantor was contractually obliged to pay out;

and in the latter case, not so. Whether any payments made in these circumstances give rise to a compensable claim is not a matter for this Panel. Such claims come within the population of claims allocated to the "E/F" Panel.

6. Claims for contract losses with a Kuwaiti party

118. Some of the claims relate to losses suffered as a result of non-payment by a Kuwaiti or other entity. The fact of such a loss, simpliciter, does not establish it as a direct loss within the meaning of Security Council resolution 687 (1991). In order to obtain compensation, a claimant should lodge sufficient evidence that the Kuwaiti or other entity carrying on business in Kuwait on 2 August 1990 was unable to make payment as a direct result of Iraq's invasion and occupation of Kuwait. A good example of this would be that the party was insolvent and that that insolvency was a direct result of the illegal invasion and occupation of Kuwait. At the very least a claimant should demonstrate that the Kuwaiti or other party had not renewed operations in Kuwait after the occupation. In the event that there are multiple factors which have resulted in the failure to resume operations, apart from the proved insolvency of the Kuwaiti or other party, the Panel will have to be satisfied that the effective reason or causa causans was Iraq's invasion and occupation of Kuwait. Any failure to pay because the Kuwaiti or other party was excused from performance by the operation of Kuwaiti law which came into force after Iraq's invasion and occupation of Kuwait is in the opinion of this Panel the result of a novus actus interveniens and it is not a direct loss arising out of Iraq's invasion and occupation of Kuwait.

B. Claims for overhead and "lost profits"

1. General

119. Any construction project can be broken down into a number of components. All of these components contribute to the pricing of the works. In the Panel's view, it is helpful for the examination of these kinds of claims to begin by rehearsing in general terms the way in which many contractors in different parts of the world construct the prices that ultimately appear in the construction contracts they sign. Of course, there is no absolute rule as to this process. Indeed, it is unlikely that any two contractors will assemble their bids in exactly the same way. But the constraints of construction work and the realities of the financial world impose a general outline from which there will rarely be a substantial deviation.

120. Many of the construction contracts encountered in this instalment contain a schedule of rates or a "bill of quantities". This document defines the amount to be paid to the contractor for the work performed. It is based on previously agreed rates or prices. The final contract price is the aggregate value of the work calculated at the quoted rates together with any variations and other contractual entitlements and deductions which increase or decrease the amount originally agreed.

121. Other contracts in this instalment are lump sum contracts. Here the schedule of rates or bill of quantities has a narrower role. It is limited to such matters as the calculation of the sums to be paid in interim certificates and the valuation of variations.

122. In preparing the schedule of rates, the contractor will plan to recover all of the direct and indirect costs of the project. On top of this will be an allowance for the "risk margin". In so far as there is an allowance for profit it will be part of the "risk margin". However, whether or not a profit is made and, if made, in what amount, depends obviously on the incidence of risk actually incurred.

123. An examination of actual contracts combined with its own experience of these matters has provided the Panel with guidelines as to the typical breakdown of prices that may be anticipated on construction projects of the kind relevant to the claims included in this instalment.

124. The key starting point is the base cost - the cost of labour, materials and plant - the _prix secs_, as the French would have it. In another phrase, this is the direct cost. The direct cost may vary, but usually represents 65 to 75 per cent of the total contract price.

125. To this is added the indirect cost - for example the supply of design services for such matters as working drawings and temporary works by the contractor's head office. Typically, this indirect cost represents about 25 to 30 per cent of the total contract price.

126. Finally, there is what is called the "risk margin" - the allowance for the unexpected. The risk margin is generally in the range of between barely above zero and five per cent of the total contract price. The more smoothly the project goes, the less the margin will have to be expended. The result will be enhanced profits, properly so called, recovered by the contractor at the end of the day. The more the unexpected happens and the more the risk margin has to be expended, the smaller the profit will ultimately be. Indeed, the cost of dealing with the unexpected or the unplanned may equal or exceed the risk margin, leading to a nil result or a loss.

127. In the view of the Panel, it is against this background that some of the claims for contract losses need to be seen.

2. Head office and branch office expenses

128. These are generally regarded as part of the overhead. These costs can be dealt with in the price in a variety of ways. For example, they may be built into some or all of the prices against line items; they may be provided for in a lump sum; they may be dealt with in many other ways. One aspect, however, will be common to most, if not all, contracts. It will be the intention of the contractor to recover these costs through the price at some stage of the execution of the contract. Often the recovery has been spread through elements of the price, so as to result in repayment through a number of interim payments during the course of the contract. Where this

has been done, it may be said that these costs have been amortised. This factor is relevant to the question of double-counting (see paragraph 131, infra).

129. If therefore any part of the price of the works has been paid, it is likely that some part of these expenses has been recovered. Indeed, if these costs have been built into items which are paid early, a substantial part or even all of these costs may have been recovered.

130. If these items were the subject of an advance payment, again they may have been recovered in their entirety at an early stage of the project. Here of course there is an additional complication, since the advance payments will be credited back to the employer - see paragraph 70, supra - during the course of the work. In this event, the Panel is thrown back onto the question of where in the contractor's prices payment for these items was intended to be.

131. In all these situations, it is necessary to avoid double-counting. By this the Panel means the situation where the contractor is specifically claiming, as a separate item, elements of overhead which, in whole or in part, are also covered by the payments made or claims raised for work done.

132. The same applies where there are physical losses at a branch or indeed a site office or camp. These losses are claimable, if claimable at all, as loss of tangible assets.

3. Loss of profits on a particular project

133. Governing Council decision 9, paragraph 9, provides that where "continuation of the contract became impossible for the other party as a result of Iraq's invasion and occupation of Kuwait, Iraq is liable for any direct loss the other party suffered as a result, including lost profits".

134. As will be seen from the observations at paragraphs 119 to 127, supra, the expression "lost profits" is an encapsulation of quite a complicated concept. In particular, it will be appreciated that achieving profits or suffering a loss is a function of the risk margin and the actual event.

135. The qualification of "margin" by "risk" is an important one in the context of construction contracts. These contracts run for a considerable period of time; they often take place in remote areas or in countries where the environment is hostile in one way or another; and of course they are subject to political problems in a variety of places - where the work is done; where materials equipment or labour have to be procured; and along supply routes. The surrounding circumstances are thus very different and generally more risk prone than is the case in the context of, say, a contract for the sale of goods.

136. In the view of the Panel it is important to have these considerations

be called its "loss possibility". The contractor will have assumed risks. He will have provided a margin to cover these risks. He will have to demonstrate a substantial likelihood that the risks would not occur or would be overcome within the risk element so as to leave a margin for actual profit.

137. This approach, in the view of the Panel, is inherent in the thinking behind paragraph 5 of Governing Council decision 15. This paragraph expressly states that a claimant seeking compensation for business losses such as loss of profits, must provide "detailed factual descriptions of the circumstances of the claimed loss, damage or injury" in order for compensation to be awarded.

138. In the light of the above analysis, and in conformity with the two decisions cited above, this Panel requires the following from those construction claimants that seek to recover for lost profits. First, the phrase "continuation of the contract" imposes a requirement on the claimant to prove that it had an existing contractual relationship at the time of the invasion. Second, the provision requires the claimant to prove that the continuation of the relationship was rendered impossible by Iraq's invasion and occupation of Kuwait. This provision indicates a further requirement that profits should be measured over the life of the contract. It is not sufficient to prove that there would have been a "profit" at some stage before the completion of the project. Such a proof would only amount to a demonstration of a temporary credit balance. This can even be achieved in the early stages of a contract, for example where the pricing has been "front-loaded" for the express purpose of financing the project. Instead, the claimant must lodge sufficient and appropriate evidence to show that the contract would have been profitable as a whole.

4. Loss of profits for future projects

139. Some claimants say they would have earned profits on future projects, not let at the time of Iraq's invasion and occupation of Kuwait. Such claims are of course subject to the sorts of considerations set out by the Panel in its review of claims for lost profits on individual projects. In addition, it is necessary for such a claimant to overcome the problem of remoteness. How can a claimant be certain that it would have won the opportunity to carry out the projects in question? If there was to be competitive tendering, the problem is all the harder. If there was not to be competitive tendering, what is the basis of the assertion that the contract would have come to the claimant?

140. Accordingly, in the view of the Panel, for such a claim to warrant a recommendation, it is necessary to demonstrate by sufficient documentary and other appropriate evidence a history of successful (i.e., profitable) operation, and a state of affairs which warrants the conclusion that the hypothesis that there would have been future profitable contracts is well founded. Among other matters, it will be necessary to establish a picture of the assets that were being employed so that the extent to which those assets would continue to be productive in the future can be determined. Balance sheets for previous years will have to be produced, along with

relevant strategy statements or like documents which were in fact utilised in the past. The current strategy statement will also have to be provided. In all cases, the Panel will be looking for contemporaneous documents rather than ones that have been formulated for the purpose of the claim; although the latter may have a useful explanatory or demonstrational role.

141. Such evidence is often difficult to obtain; and accordingly in construction cases such claims will only rarely be successful. And even where there is such evidence, the Panel is likely to be unwilling to extend the projected profitability too far into the future. The political exigencies of work in a troubled part of the world are too great to justify looking many years ahead.

C. Loss of monies left in Iraq

1. Funds in bank accounts in Iraq

142. Numerous claimants sought to recover compensation for funds on deposit in Iraqi banks. Such funds were of course in Iraqi Dinars and were subject to exchange controls.

143. The first problem with these claims is that it is often not clear that there will be no opportunity in the future for the claimant to have access to and to use such funds. Indeed, many claimants, in their responses to interrogatories or otherwise have modified their original claims to remove such elements, as a result of obtaining access to such funds after the initial filing of their claim with the Commission.

144. Second, for such a claim to succeed it would be necessary to establish that in the particular case, Iraq would have permitted the exchange of such funds into hard currency for the purposes of export. For this, appropriate evidence of an obligation to this effect on the part of Iraq is required. Furthermore, the Panel notes that the decision to deposit funds in banks located in particular countries is a commercial decision, which a corporation engaged in international operations is required to make. In making this decision, a corporation would normally take into account the relevant country or regional risks involved.

145. In the claims the subject of this instalment, the Panel finds that the causal link in respect of this loss item is not direct. Consequently, the Panel has concluded that the claim for loss of use in this regard is speculative and not compensable by this Commission.

146. Turning from the particular to the general, the Panel, in analysing these claims has come to the conclusion that, in most cases, it will be necessary for a claimant to demonstrate (in addition to such matters as loss and quantum) that:

(a) the relevant Iraqi entity was under a contractual or other specific duty to exchange those funds for convertible currencies;

(b) Iraq would have permitted the transfer of the converted funds out of Iraq; and

(c) this exchange and transfer was prevented by Iraq's invasion and occupation of Kuwait.

147. Absent proof of these aspects of the matter, it is difficult to see how the claimant can be said to have suffered any "loss". In such circumstances, the Panel will have been unable to recommend compensation.

2. Petty cash

148. Exactly the same considerations apply to claims for petty cash left in Iraq in Iraqi Dinars. These monies had been left in the offices of the claimant when it departed from Iraq. The circumstances in which the money had been left behind varied somewhat; and the situation which thereafter obtained also varied - some claimants contending that they had returned to Iraq but the monies were gone; and others being unable to return to Iraq and establish the position. In these different cases, the principle seems to the Panel to be the same. These were amounts of money which were available to meet the day to day expenses of the claimant in Iraq. Accordingly, absent evidence of the same matters as are set out in paragraph 146, supra, such losses are not compensable.

3. Customs deposits

149. In the Panel's understanding, these sums are paid, nominally at least, as a fee for permission to effect a temporary importation of plant, vehicles or equipment. The recovery of these deposits is dependent on obtaining permission to export the relevant plant, vehicles and equipment.

150. In the Panel's understanding, such permission was hard to obtain prior to Iraq's invasion and occupation of Kuwait. Accordingly, although defined as a temporary exaction, it was often permanent in fact, and no doubt contractors experienced in the subtleties of working in Iraq made suitable allowances. And no doubt they were able to, or expected to, recover these exactions through payment for work done. Once the invasion and occupation of Kuwait had occurred, obtaining such permission to export became appreciably harder. Indeed, given the trade embargo, a necessary element would have been the specific approval of the Security Council.

151. In the premises, it seems to the Panel that claims to recover these duties need to be supported by sufficient evidentiary material, going to the issue of whether, but for Iraq's invasion and occupation of Kuwait, such permission would, in fact or on a balance of probabilities, have been forthcoming.

152. Absent such evidence and leaving aside any question of double-counting, (see paragraph 131, supra), the Panel is unlikely to be able to make any positive recommendations for compensating unrecovered customs deposits made for plant, vehicles and equipment used at construction projects in Iraq.

D. Tangible property

153. With reference to losses of tangible property located in Iraq, decision 9 provides that where direct losses were suffered as a result of Iraq's invasion and occupation of Kuwait with respect to tangible assets, Iraq is liable for compensation (decision 9, paragraph 12). Typical actions of this kind would have been the expropriation, removal, theft or destruction of particular items of property by Iraqi authorities. Whether the taking of property was lawful or not is not relevant for Iraq's liability if it did not provide for compensation. It furthermore provides that in a case where business property had been lost because it had been left unguarded by company personnel departing due to the situation in Iraq and Kuwait, such loss may be considered as resulting directly from Iraq's invasion and occupation (decision 9, paragraph 13).

154. Many of the construction claims that come before this Panel are for assets that were confiscated by the Iraqi authorities in 1992 or 1993. Here the problem is one of causation. By the time of the event, the invasion and occupation of Kuwait was over. Liberation was a year or more earlier. Numerous of the claimants had managed to obtain access to their sites to establish the position that obtained at that stage. In the cases the subject of this paragraph, the assets still existed. However, that initially satisfactory position was then overtaken by a general confiscation of assets by Iraqi authorities. While it sometimes seems to have been the case that this confiscation was triggered by an event which could be directly related to Iraq's invasion and occupation of Kuwait, in the vast majority of the cases that the Panel has seen, this was not the case. It was simply the result of a decision on the part of the authorities to take over these assets. The Panel has difficulty in seeing how these losses were caused by Iraq's invasion and occupation of Kuwait. On the contrary, it appears that they stem from an wholly independent event and accordingly are outside the jurisdiction of the Commission.

E. Payment or relief to others

155. Paragraph 21(b) of decision 7 specifically provides that losses suffered as a result of "the departure of persons from or their inability to leave Iraq or Kuwait" are to be considered the direct result of Iraq's invasion and occupation of Kuwait. Consistent with decision 7, therefore, the Panel finds that evacuation and relief costs incurred in assisting employees in departing from Iraq are compensable to the extent proven.

156. Paragraph 22 of Governing Council decision 7 provides that "payments are available to reimburse payments made or relief provided by corporations or other entities to others - for example, to employees, or to others pursuant to contractual obligations - for losses covered by any of the criteria adopted by the Council".

157. The "E2" Panel has found this to mean that where a claimant has proven that a payment was made, as a form of relief or otherwise, in connection with one of the acts or consequences described in paragraph 21

158. The "E3" Panel found that the costs associated with evacuating and repatriating employees from Iraq between 2 August 1990 and 2 March 1991 are compensable to the extent that the costs are proven by the claimant. Compensable costs consist of "temporary and extraordinary expenses" related to the repatriation, including items such as transportation costs, lodging and food while in transit.

159. Accordingly, this Panel finds that the costs associated with evacuating and repatriating employees between 2 August 1990 and 2 March 1991 are compensable to the extent that such costs are proven by the claimant and are reasonable in the circumstances. Urgent temporary liabilities and extraordinary expenses relating to evacuation and repatriation, including transportation, food and accommodation, are in principle, compensable.

160. Many claimants did not provide a documentary trail detailing to perfection the expenses incurred in caring for their personnel and transporting them (and, in at least one instance, the employees of other companies who were stranded) out of a theatre of hostilities.

161. In these cases the Panel considered it appropriate to accept a level of documentation consistent with the practical realities of a difficult, uncertain and often hurried situation, taking into account the concerns necessarily involved. The loss sustained by claimants in these situations is the very essence of the direct loss suffered which is stipulated by Security Council resolution 687 (1991). Accordingly, the Panel used its best judgement, after considering all relevant reports and the material at its disposal, to arrive at an appropriate figure.

162. The importance of recognising the laudable concerns of companies fulfilling their responsibilities of assisting their staff out of an hostile environment can never be overemphasised.

V. ALPHA PROFESSIONAL SERVICES PTY. LTD.

163. Alpha Professional Services Pty. Ltd. ("Alpha"), is a proprietary limited company incorporated in Australia. Alpha seeks compensation in the total amount of US$8,094,239 (KD 2,339,235) for contract losses (KD 2,166,535), loss of tangible property (KD 165,000) and payment or relief to others (KD 7,700) incurred in its capacity as a sub-contractor engaged to work on two projects in Kuwait.

164. Alpha did not submit a statement of claim. However, Alpha provided documents entitled "Form of Agreement" said to be related to its claim for contract losses. In both documents, Alpha is described as "agent" after the Contractor's name.

165. In support of its claim for tangible property losses (loss of "razor bladed barb wire, with installation accessories"), Alpha provided a copy of a police report dated 29 October 1990 issued by the Alnida police station in Iraq. The report identifies the name of the complainant only. It does not identify the materials in question or state what happened to them.

166. Alpha provided no information or documentation in support of its claim for payment or relief to others.

167. The Panel finds that Alpha did not submit sufficient information or documentation to support its asserted losses.

168. Based on its findings regarding Alpha's claim, the Panel recommends no compensation.

VI. TECHNOCON LIMITED

169. Technocon Limited ("Technocon"), a company incorporated in the People's Republic of Bangladesh, is a general contractor on construction projects. At the time of Iraq's invasion of Kuwait, it was involved in providing labour to three construction projects in Iraq as well as general contracting work on projects in Kuwait. Technocon seeks compensation in the amount of US$11,386,640 (modified from the original claim in the amount of US$12,466,308) for contract losses, loss of profits, loss of tangible property, payment or relief to employees, and other financial losses.

A. Contract losses

1. Facts and contentions

170. Technocon seeks compensation in the amount of US$2,350,739 (ID 732,571) for contract losses allegedly incurred on three projects in Iraq. The claim is for unpaid receivable bills certified by the Government of Iraq (US$2,250,602 = ID 701,365), unpaid receivable bills not certified by the Government of Iraq (US$42,595 = ID 13,274) and unpaid deposits with others ("earnest money" and retention money) (US$57,542 = ID 17,932).

171. The employer on the Al-Naseem Project and the Al-Hamurabi Project was the Al-Fao General Establishment acting under the authority of the Ministry of Industry and Military Industrialisation of the Republic of Iraq. The employer on the Nassar Establishment for Mechanical Industries Project was the Ministry of Industry and Military Industrialisation. Technocon provided no information about the nature of the projects.

172. Technocon provided copies of the project contracts entered into with the Iraqi employers. The contracts detail the type of labour and the number of workers to be provided by Technocon as well as the monthly amount to be paid to Technocon in respect of the labour provided by it.

173. The claim for unpaid retention moneys relates to projects in Iraq that were completed long before Iraq's invasion and occupation of Kuwait.

2. Analysis and valuation

(a) Unpaid receivable bills (certified)

174. Technocon seeks compensation in the amount of US$2,250,602 (ID 701,365) for unpaid receivable bills. The claim is for work performed on the Al-Naseem Project between April and September 1990, work performed on the Al-Hamurabi Project between January and August 1990 and September and October 1990 and work performed on the Nassar Establishment for Mechanical Industries Project in November 1989 and between January and September 1990.

175. The Panel finds that the Al-Fao General Establishment and the Ministry of Industry and Military Industrialisation of the Republic of Iraq are agencies of the State of Iraq.

176. The supporting documentation provided by Technocon indicates that the performance that created the debts in question occurred between November 1989 and October 1990. The Panel, therefore, finds that the contract losses alleged by Technocon relate partly to work that was performed prior to 2 May 1990.

177. The claim for contract losses relating to work performed prior to 2 May 1990 is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991). Accordingly, applying the approach taken with respect to the "arising prior to" clause in paragraph 16 of Security Council resolution 687 (1991) set out in paragraphs 20 to 22, only the contract losses relating to work performed subsequent to 2 May 1990 are compensable. From the documentation provided by Technocon, the Panel was able to identify the value of the work performed subsequent to 2 May 1990 as ID 424,774, and, therefore, recommends compensation in this amount.

(b) Unpaid receivable bills (uncertified)

178. Technocon seeks compensation in the amount of US$42,595 (ID 13,274) for unpaid receivable bills. The claim is for work performed on the Al-Naseem Project, the Al-Hamurabi Project and the Nassar Establishment for Mechanical Industries Project. Technocon did not state the dates of performance of the work.

179. The Panel finds that Technocon did not provide sufficient evidence of its stated loss. The bills provided by Technocon were not certified by the Iraqi employer and are not supported by any other evidence. Accordingly, the Panel recommends no compensation.

(c) Unpaid retention money

180. Technocon seeks compensation in the amount of US$57,542 (ID 17,932) for unpaid "earnest monies" and retention money on projects in Iraq. "Earnest monies" is interpreted to include items such as security deposits and bank guarantees. The claim for retention money relates to the withholding of two unspecified amounts relating to personal income tax for 1990. No further explanation is given. The monies were allegedly withheld on construction projects completed long before Iraq's invasion of Kuwait.

181. In support of its claim for "earnest monies" and retention money, Technocon provided a schedule containing a breakdown of the amounts claimed. The schedule refers to a number of projects in Iraq. However, Technocon provided no sufficient explanation or evidence in support of its claim.

182. The Panel finds that Technocon did not provide sufficient evidence of its stated losses. Accordingly, the Panel recommends no compensation.

3. Recommendation for contract losses

183. The Panel recommends compensation in the amount of US$1,365,833 (ID 424,774).

B. Loss of profits

184. Technocon seeks compensation in the amount of US$5,139,921 (ID 1,601,776) for loss of profits allegedly caused by the early termination of its activities in Iraq as a result of Iraq's invasion and occupation of Kuwait. Technocon calculated its loss of profits by using anticipated and historical profitability percentages in order to project its profits for the years 1991 to 1994.

185. Technocon supplied a substantial amount of information in respect of its performance in Iraq prior to the invasion and occupation of Kuwait. It sought reimbursement for profits over the years 1991 to 1994. There is no evidence of any contract to which Technocon was a party which would justify a recommendation of compensation for loss of profits after, at the latest, mid-1991. In respect of the period up to the middle of 1991, the Panel is satisfied that the evidence supports a claim for ID 190,000.

186. Accordingly, the Panel recommends compensation in the amount of US$610,932 (ID 190,000).

C. Loss of tangible property

1. Facts and contentions

187. Technocon seeks compensation in the amount of US$2,112,560 for loss of tangible assets from project sites in Iraq and Kuwait.

2. Analysis and valuation

(a) Losses in Iraq

188. Technocon seeks compensation in the amount of US$362,393 (ID 112,934) for loss of tangible assets in Iraq, including tangible assets allegedly seized by the Government of Iraq ("approved by the Government of Iraq") (US$232,186 = ID 72,357) and tangible assets allegedly forcibly donated to the Government of Iraq ("taken by client") (US$130,207 = ID 40,577).

(b) Losses in Kuwait

(i) Contents of labour camp in Kuwait

189. Technocon seeks compensation in the amount of US$1,073,340 (modified from the original claim in the amount of US$1,278,990) for the contents of a labour camp in Kuwait that were allegedly stolen during Iraq's occupation of Kuwait. The claim is for equipment and other assets, such as caravans, beds, air conditioners, utensils and furniture. Technocon stated that,

when it returned to the campsite after the liberation of Kuwait, it found nothing left.

(ii) Loss of construction equipment and vehicles in Kuwait

190. Technocon seeks compensation in the amount of US$651,409 (modified from the original claim in the amount of US$913,692) for loss of construction equipment and vehicles in Kuwait that were allegedly seized by Iraqi forces or destroyed during Iraq's occupation of Kuwait. The claim is for construction equipment of various types, including concrete mixers, dump trucks and rollers, and road vehicles, including cars and mini-buses.

(iii) Loss of equipment from Kuwaiti branch office

191. Technocon seeks compensation in the amount of US$25,418 (modified from the original claim in the amount of US$44,568) for loss of equipment located at its branch office in Kuwait, which was allegedly destroyed after the office was looted and burned down during Iraq's occupation of Kuwait. The claim is for office equipment, including fax and telex machines, tables, chairs, typewriters and an iron safe.

3. Recommendation for loss of tangible property

(a) Losses in Iraq

192. Applying the approach taken with respect to the confiscation of tangible property by the Iraqi authorities after the liberation of Kuwait set out in paragraph 154, the Panel recommends no compensation.

(b) Losses in Kuwait

193. In support of its claim, Technocon provided a substantial amount of information, including schedules evidencing information such as the following: date of acquisition, age at time of acquisition, original value as at 31 December 1990, rate of depreciation applied and book value as at 31 December 1990. In light of the evidence provided, the Panel finds that an appropriate amount of compensation to be US$1,038,062 (KD 300,000).

D. Payment or relief to others

1. Facts and contentions

194. Technocon seeks compensation in the amount of US$994,066 (ID 309,785) for payment and relief provided to its employees.

2. Analysis and valuation

(a) Evacuation costs

195. Technocon seeks compensation in the amount of US$676,498 (ID 210,820) for costs allegedly incurred in evacuating 1,202 of its employees from Iraq

by bus to Amman. The claim is for the cost of hiring buses, visa fees, food and emergency medicine.

196. In support of its claim for transportation costs, Technocon provided a list of the 1,202 employees and their respective job descriptions, passport numbers and dates of departure. Technocon also provided a copy of an agreement with a Jordanian transport company for the provision of buses. The agreement provides for an agreed lump-sum amount to be paid for each trip. According to the documentation provided by Technocon, a total of 20 trips were undertaken by bus.

197. The evidence provided by Technocon established that some 20 bus trips took place over a substantial period of time. Technocon provided no information concerning, or evidence in support of, its claim for food and emergency medicine. The Panel accepts that in the circumstances which pertained at the time, the kind of documentation and the amount of documentation that would be available to support subsistence costs and travel costs is likely to be limited. Taking into account those circumstances and the general credibility of the claim overall, the Panel has concluded upon a figure of ID 175,000.

(b) Contractual payments to employees

198. Technocon seeks compensation in the amount of US$317,568 (ID 98,965) for contractual payments made to 570 employees upon their return to Bangladesh in September 1990. The payments appear to be a form of severance pay for the premature termination of their employment contracts. Technocon stated that it was contractually obliged to compensate its employees for the one month notice period that it was unable to respect in terminating their employment contracts.

199. While Technocon stated that the employment contracts required it to pay its repatriated employees one month's salary, Technocon submitted no evidence to prove the existence of this requirement. The copies of the employment contracts provided by Technocon do not contain any provision that would appear to impose such an obligation on Technocon. Accordingly, the Panel recommends no compensation.

3. Recommendation for payment or relief to others

200. The Panel recommends compensation in the amount of US$562,701 (ID 175,000).

E. Other financial losses

1. Facts and contentions

201. Technocon seeks compensation in the amount of US$789,354 (ID 245,990) for other financial losses, including pre-paid rent and interest on a bank loan.

202. In its original claim submission, Technocon also sought compensation in the amount of US$528,408 (ID 164,670) for the loss of cash held at its office in Iraq and money deposited with Iraqi banks. Technocon later withdrew its claim for this loss item, stating that it had been able to obtain the cash and the funds on deposit.

2. Analysis and valuation

(a) Pre-paid rent

203. Technocon seeks compensation in the amount of US$65,529 (ID 20,421) (modified from the original claim in the amount of US$129,706 (ID 40,421)) for pre-paid rent in relation to its Iraqi office and residential accommodation for its office staff.

204. Technocon stated that it was unable to use the office and residential accommodation during Iraq's occupation of Kuwait.

205. The Panel finds that pre-paid rent is not an expense that is chargeable to the employer on a project, but part of the overheads that a contractor uses to calculate the rates charged. Accordingly, the Panel recommends no compensation.

(b) Interest on bank loan

206. Technocon seeks compensation in the amount of US$723,825 (ID 225,569) for interest allegedly paid on a bank loan from 8 October 1990 to 30 June 1994.

207. For the reasons stated in paragraph 37, the Panel does not address the issue of compensability of claims for interest.

3. Recommendation for other financial losses

208. The Panel recommends no compensation.

F. Summary of recommended compensation for Technocon

209. Based on its findings regarding Technocon's claim, the Panel recommends compensation in the amount of US$3,577,529. So far as relevant, the Panel finds the date of loss to be 15 September 1990.

VII. MENDES JUNIOR S.A.

210. Mendes Junior SA, a company incorporated in Brazil, and Mendes Junior International Company, a company incorporated in the Grand Cayman Islands, (together "Mendes") are associated companies. At the time of Iraq's invasion and occupation of Kuwait, they were working together on a joint venture basis as contractors on three construction projects in Iraq - the Baghdad to Akashat Railway Project (the "Railway Project"), the Expressway No. 1 Project and the Main Outfall Drain Project at Nassiriyah.

211. Mendes seeks compensation in the total amount of US$146,529,528 for contract losses, loss of profits, loss of tangible property, loss of real property, payment and relief provided to employees and interest.

212. It is helpful to begin with a chronology of Mendes' involvement with projects in Iraq. The first project was the Railway Project. Commencing in 1978, Mendes performed work on the Railway Project under a contract with the Iraqi Republic Railways. Mendes entered into several additional contracts with other Iraqi State organisations for subsequent work on the Railway Project, and the project was completed in 1986.

213. The second project was the Expressway No. 1 Project. In February 1981, Mendes entered into a contract with the Minister of Housing and Construction on behalf of the Government of Iraq. This contract provided for work to be completed within 36 months. However, the project was delayed after work stopped in 1987 allegedly due to hostilities between Iraq and Iran. At the time of Iraq's invasion of Kuwait, the only work that remained to be completed was the supply and erection of road signs, guard rails and fencing.

214. The third project was the Main Outfall Drain Project. The work to design and build this project was initially awarded to Mendes by the Iraqi State Commission for Irrigation and Reclamation in 1982, and the contract was signed in 1984. The project suffered many delays caused, firstly, by a dispute with the Iraqi employer concerning the final design submitted, and pumps supplied, for the project, and, secondly, after work was suspended in late 1987 allegedly due to hostilities between Iraq and Iran.

215. In June 1988, representatives of the Governments of Brazil and Iraq met in Baghdad to negotiate the recommencement of work on the Expressway No. 1 and the Main Outfall Drain Projects. This meeting resulted in the signing of a Memorandum of Understanding dated 19 June 1988. The Memorandum of Understanding set forth "financial and administrative measures as a final and comprehensive settlement of all pending issues and claims of Mendes". Although not a party to the Memorandum of Understanding, Mendes stated that it considered itself bound by the Memorandum of Understanding.

216. Under the terms of the Memorandum of Understanding, Iraq agreed to extend the period of the Expressway No. 1 Project by an additional two years from 15 May 1987, and the Main Outfall Drain Project by an additional

202. In its original claim submission, Technocon also sought compensation in the amount of US$528,408 (ID 164,670) for the loss of cash held at its office in Iraq and money deposited with Iraqi banks. Technocon later withdrew its claim for this loss item, stating that it had been able to obtain the cash and the funds on deposit.

2. Analysis and valuation

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216. Under the terms of the Memorandum of Understanding, Iraq agreed to extend the period of the Expressway No. 1 Project by an additional two years from 15 May 1987, and the Main Outfall Drain Project by an additional three years from 22 August 1987. Iraq also agreed to pay the following

amounts to Mendes: (a) US$14,900,000 as final settlement of all claims in respect of work performed on the Railway Project; (b) US$16,100,000 (in respect of the release of retention money and "the latest measurement certificate") plus an amount to be calculated by the parties to reflect "difference of exchange rate" related to the Expressway No. 1 Project; and (c) US$10,300,000 in respect of the release of retention money on the Main Outfall Drain Project.

217. Also under the terms of the Memorandum of Understanding, Mendes was to repay Iraq the balance of the advance payments received by it in respect of the three projects. The amounts to be repaid and the dates for repayment were: (a) US$67,600,000 two years after signing a document confirming the Memorandum of Understanding, in the case of the Railway Project; (b) US$41,600,000 two years after the termination of the maintenance period of the Expressway No. 1 Project; and (c) US$22,200,000 two years after the termination of the maintenance period of the Main Outfall Drain Project.

218. In response to a request by the Panel for further information, Mendes stated that it has not repaid the advance payments to Iraq in accordance with the terms of the Memorandum of Understanding. After allowing for the amounts owed by Iraq to Mendes referred to in paragraph 216, Mendes retained a net surplus in respect of the projects.

219. Iraq requested work to be resumed on the Main Outfall Drain Project before any of the monies referred to in the Memorandum of Understanding were paid. In order to facilitate the remobilization of Mendes' resources in Iraq, the Government of Brazil provided the sum of US$45,000,000 to Mendes under a special loan agreement.

220. In August 1988, as part of a policy to expand the export of services to Iraq and pay for more imported crude oil, the Government of Brazil agreed to absorb Mendes' additional claims against Iraq for loss of profits on construction projects and unpaid work performed on the Expressway No. 1 Project and the Main Outfall Drain Project. Mendes stated that its claims against Iraq amounted to US$421,574,422. In July 1989, Mendes signed a credit agreement with the Banco do Brasil, acting on behalf of the Government of Brazil. Under the terms of this credit agreement, Mendes assigned these claims against Iraq to the Banco do Brasil, thereby leaving Mendes with no remaining right to assert any of these claims.

221. In March 1990, after further delays on the Main Outfall Drain Project had been experienced as a result of customs disputes, the Ministry of Trade of the Republic of Iraq granted Mendes an additional five month extension (until 22 September 1990) for the resumption of work on the Main Outfall Drain Project. Also at about this time, the Banco do Brasil reached agreement with the State Commission for Irrigation and Reclamation Projects to extend the financial agreement and to provide the credit facility until 22 September 1990 to enable the Main Outfall Drain Project to be completed.

222. At the end of July 1990, the parties finalised the credit facility to be provided to the State Commission for Irrigation and Reclamation Projects to enable the Expressway No. 1 Project to be completed.

223. Mendes stated that, shortly after the resumption of work on the Expressway No. 1 Project and the Main Outfall Drain Project, the work was interrupted by Iraq's invasion and occupation of Kuwait.

A. Contract losses

1. Facts and contentions

224. Mendes seeks compensation in the amount of US$18,081,674 for contract losses in respect of amounts allegedly paid to four sub-contractors and not reimbursed by the Iraqi employers.

225. The sub-contractors' costs for goods and services provided were invoiced in connection with the Baghdad to Akashat Railway Project, the Expressway No. 1 Project and the Main Outfall Drain Project. The Iraqi employers on the projects were the Railways Commission of the Republic of Iraq, in the case of the Baghdad to Akashat Railway Project, the Ministry for Housing and Construction of the Republic of Iraq, in the case of the Expressway No. 1 Project and the Iraqi State Commission for Irrigation and Reclamation Projects, in the case of the Main Outfall Drain Project.

2. Analysis and valuation

(a) Sub-contractor costs: Voith AG (Austria)

226. Mendes seeks compensation in the amount of US$6,225,426 for costs invoiced by its sub-contractor, Voith AG, Austria. Voith AG manufactured and supplied pumping equipment for the Main Outfall Drain Project. The amounts included in Mendes' claim are the cost of supply of the pumping equipment (US$6,002,126) and the cost of storage of the pumping equipment from August 1990 to December 1992 (US$223,300). Mendes stated that the pumping equipment was partially delivered to Iraq. The equipment that was not delivered to Iraq is still in storage in Bremen, Germany, and St Polten, Austria.

227. Voith AG invoiced Mendes for the cost of supply of the pumping equipment in two invoices dated 1 December 1988 and 30 November 1989.

(b) Sub-contractor costs: Voith SA (Brazil)

228. Mendes seeks compensation in the amount of US$3,238,472 for costs invoiced by its sub-contractor, Voith SA, Brazil. Voith SA and its Brazilian sub-contractor supplied hydro-mechanical and lifting equipment to the Main Outfall Drain Project.

229. Voith SA invoiced Mendes for the cost of supply of the equipment in invoices dated between November 1984 and October 1989.

(c) Sub-contractor costs: Thyssen AG (Germany) and Thyssen Sudamerica NV (Brazil)

230. Mendes seeks compensation in the amount of US$1,800,428 (DM 3,060,728) for costs invoiced by its sub-contractors, Thyssen AG, Germany, and Thyssen Sudamerica NV, Brazil. Thyssen AG and Thyssen Sudamerica SA were suppliers of fence materials and road signs for the Expressway No. 1 Project. The materials and road signs were manufactured in Germany and shipped to Brazil. Mendes did not indicate the date on which this shipment took place. It was intended that the materials be shipped to Iraq from Brazil. However, Mendes asserted that the planned shipment of the materials to Iraq did not take place due to Iraq's invasion and occupation of Kuwait.

(d) Sub-contractor costs: Leme Engenaharia (Brazil)

231. Mendes seeks compensation in the amount of US$6,817,348 for costs invoiced by its sub-contractor, Leme Engenaharia, Brazil. Leme Engenaharia carried out design work on the Main Outfall Drain Project.

232. Leme Engenaharia invoiced Mendes for the design work in invoices dated between July 1984 and November 1990.

3. Recommendation for contract losses

233. The Panel finds that Mendes failed to demonstrate the direct link between its stated losses and Iraq's invasion and occupation of Kuwait. Among other factors, the supply of the majority of equipment and services included in Mendes' claim took place well before Iraq's invasion and occupation of Kuwait. The Panel finds that the inability of Mendes to recover the amounts claimed from the Iraqi employers is not a loss directly caused by Iraq's invasion and occupation of Kuwait. In respect of the balance of the equipment and services, Mendes provided insufficient evidence to enable the Panel to make a determination. Accordingly, the Panel recommends no compensation.

B. Loss of profits

234. Mendes seeks compensation in the amount of US$30,825,038 for loss of profits in respect of the Main Outfall Drain Project. Mendes calculated its claim for loss of profits on an expected profit margin of 15 per cent. It applied this percentage to the incomplete portion of the works as at 2 August 1990, which Mendes alleged to be 68.16 per cent.

235. Mendes submitted its audited accounts for the years 1983 to 1990 as well as audited accounts for its Iraqi operations for the years 1983 to 1989. These accounts demonstrate that Mendes' gross profits percentages fluctuated wildly during this period because of the difficulties experienced by Mendes in obtaining settlement on outstanding amounts owed. By submitting its records for gross profits, Mendes has requested the Panel to ignore the financial costs and inherent risks in operating large construction projects in Iraq. The Panel is not inclined to accept this

invitation. Further, Mendes did not submit sufficient evidence to demonstrate the on-going profitability of the Main Outfall Drain Project.

236. Applying the approach taken with respect to loss of profits on a particular project set out in paragraphs 133 to 138, the Panel recommends no compensation.

C. Loss of tangible property

237. Mendes seeks compensation in the amount of US$69,242,505 for loss of tangible property, including plant, machinery and construction equipment kept at the Main Outfall Drain Project site (US$9,260,626), materials (US$50,452,125) and the destruction of its campsite at Nassiriyah (US$9,529,754).

238. On the assumption that all of Mendes' claims for loss of tangible property are valid and recoverable in the full amount, Mendes is still left with a net surplus. This is the result of the substantial advance payments in the total amount of US$131,400,000 paid to it in respect of the Railway Project, the Expressway No. 1 Project and the Main Outfall Drain Project. As stated in paragraph 217, supra, under the terms of the Memorandum of Understanding, Mendes was to repay Iraq these advance payments. Mendes has not repaid these monies. It, therefore, follows, that even after taking into account the amounts owed by Iraq to Mendes referred to in paragraph 216, supra, Mendes retained a net surplus which is substantially greater than Mendes' claim for tangible property losses.

239. The Panel finds that the advance payments would, for the main part, have been used by Mendes to purchase tangible assets to be used on the projects. In the circumstances, and applying the approach taken with respect to advance payments set out in paragraphs 68 to 71, there is no loss to Mendes in respect of tangible property for which the Panel can recommend compensation.

240. The Panel recommends no compensation.

D. Payment or relief to others

1. Facts and contentions

241. Mendes seeks compensation in the amount of US$3,406,611 for payment or relief to others, including expenses incurred in evacuating 229 of its employees from Iraq to Brazil (US$609,300), salary payments made to its employees between August 1990 and February 1991 (US$2,427,311) and general expenses incurred in securing the release of its employees and their families from Iraq (US$370,000).

2. Analysis and valuation

(a) Evacuation costs

242. Mendes seeks compensation in the amount of US$609,300 for expenses incurred in evacuating 229 of its employees from Iraq to Brazil from August to October 1990. The claim is for the cost of three charter flights that were specially arranged to evacuate its employees and other Brazilian nationals.

243. The Panel finds that the amount claimed for the charter flights is approximately twice the cost of individual scheduled tickets. This is an extraordinary expense that must be reduced by the normal costs of repatriation of its workforce. Applying the approach taken with respect to the compensability of claims for payment or relief to others set out in paragraphs 155 to 162, the Panel recommends compensation in the amount of US$456,975.

(b) Salary payments made to employees

244. Mendes seeks compensation in the amount of US$2,427,311 for salary payments made to its employees between August 1990 and February 1991. Mendes stated that it terminated the employment contracts of its staff upon their repatriation. Mendes' claim includes the contractual amounts paid to its employees due to early termination of their employment contracts. Mendes stated that it was contractually obliged to pay its employees for a 30 day period after their repatriation.

245. The Panel finds that the United States dollar element of the salaries for the period August 1990 to January 1991 and the Iraqi dinar element of the salaries for December and January 1991 are compensable. Accordingly, the Panel recommends compensation in the amount of US$1,343,398.

(c) General expenses

246. Mendes seeks compensation in the amount of US$370,000 for general expenses incurred in securing the release of its employees and their families from Iraq. The amount claimed includes the cost of telephone calls, meetings in Brazil and other administrative costs in negotiations with Iraq aimed at obtaining exit visas.

247. Mendes provided no evidence in support of its claim. The Panel finds that Mendes did not provide sufficient evidence of its stated losses. Accordingly, the Panel recommends no compensation.

3. Recommendation for payment or relief to others

248. The Panel recommends compensation in the amount of US$1,800,373.

E. Summary of recommended compensation for Mendes

249. Based on its findings regarding Mendes claim, the Panel recommends compensation in the amount of US$1,800,373. The Panel finds the date of loss to be 15 September 1990.

VIII. TECHNOIMPORTEXPORT AD

250. Technoimportexport AD ("Technoimportexport") is a Bulgarian foreign trade association engaged in construction and engineering works abroad as well as the import and export of machinery. At the time of Iraq's invasion of Kuwait, Technoimportexport was engaged as a contractor on a petroleum products storage project in Kuwait and on two projects for the supply of brick production flow lines in Iraq. Technoimportexport seeks compensation in the total amount of US$17,488,097 for contract losses, loss of profits, loss of tangible property and losses in connection with a performance bond, allegedly incurred in connection with the project in Kuwait.

A. Contract losses

1. Facts and contentions

251. Technoimportexport seeks compensation in the amount of US$13,632,355 for contract losses.

252. On 21 November 1987, Technoimportexport entered into a contract with the Kuwaiti National Petroleum Company (the "Kuwaiti employer") for the design, supply, construction and maintenance of the Local Marketing Ahmadi Depot in Kuwait (the "Project"). The lump sum price for the works agreed under the contract was KD 3,983,172. The contract period was 24 months. On 24 January 1988, the parties entered into an addendum to the contract. The addendum related to the supply, construction, erection and maintenance of all works related to the temporary facilities for the Project. The contract sum was increased to KD 4,086,922 to take account of the additional works. The additional works were to be completed within the contract period provided for under the original contract.

253. Technoimportexport stated that the works on the Project were continuing as at 2 August 1990 and were suspended due to Iraq's invasion of Kuwait. However, an interim request for extension of time and additional monies dated April 1990 addressed to the Kuwaiti employer provided by Technoimportexport indicates that the Project was delayed due to garbage on the site and soil conditions that were different from those advised by the Kuwaiti employer.

2. Analysis and valuation

(a) "Additional works presented to the Kuwait employer"

254. Technoimportexport seeks compensation in the amount of US$1,154,815 for "additional works presented to the Kuwait employer". The claim relates to costs incurred in respect of additional soil penetration tests, an additional height requirement for tanks and additional work carried out for the removal of garbage found to have been buried under site soil.

255. The Panel finds that Technoimportexport did not provide sufficient evidence of its stated loss. Moreover, Technoimportexport did not explain the direct link between its inability to recover the costs incurred in

respect of additional works on the Project and Iraq's invasion and occupation of Kuwait. Technoimportexport provided no evidence that the Kuwaiti employer was rendered insolvent as a consequence of the invasion and occupation. Accordingly, the Panel finds that Technoimportexport failed to establish the causal link between its stated losses and Iraq's invasion and occupation of Kuwait. The Panel recommends no compensation.

(b) "Additional works not presented to the Kuwait employer"

256. Technoimportexport seeks compensation in the amount of US$1,076,620 for "additional works not presented to the Kuwait employer". The claim relates to costs incurred in respect of additional changes in drawings made in the course of designing the Project works.

257. Despite a request in the Questions to the Claimant to provide full documentation in respect of this loss item, Technoimportexport provided no further documentation or explanations.

258. The Panel finds that Technoimportexport did not provide sufficient evidence of its stated loss. Moreover, Technoimportexport did not explain the direct link between its inability to recover the costs incurred in respect of additional works on the Project and Iraq's invasion and occupation of Kuwait. Technoimportexport provided no evidence that the Kuwaiti employer was rendered insolvent as a consequence of the invasion and occupation. Accordingly, the Panel finds that Technoimportexport failed to establish the causal link between its stated losses and Iraq's invasion and occupation of Kuwait. The Panel recommends no compensation.

(c) Unpaid invoices for the supply of a computer system by a sub-contractor

259. Technoimportexport seeks compensation in the amount of US$1,025,000 in respect of unpaid invoices for the supply of a computer system by a sub-contractor. Technoimportexport stated that the computer system, which comprised HP 825 computers and a control suite destined for the Project, was paid for in advance and was stored by Technoimportexport's sub-contractor in the United Kingdom. The computer system was never delivered to Kuwait. Technoimportexport stated that the computer system is now obsolete and is not able to be resold or used on other projects. Technoimportexport claims for the cost of the computer system as well as storage charges relating to the storage of the computer system in the United Kingdom for the period 1 February 1990 to 30 June 1993.

260. In support of its claim, Technoimportexport provided invoices for the storage of the computer system. However, Technoimportexport provided no evidence that it paid for the costs of storage of the computer system. Technoimportexport provided no evidence of any attempts made to sell the computer system in mitigation of its loss. Accordingly, the Panel recommends no compensation.

(d) "Expected cancellation charges from sub-contractors"

261. Technoimportexport seeks compensation in the amount of US$725,920 for "expected cancellation charges for unpaid equipment from sub-contractors". The claim is for payments expected to be made to suppliers in relation to orders that were cancelled due to the suspension of work on the Project. Technoimportexport stated that it had made no payments for cancelled orders and it had received no requests for payment from sub-contractors.

262. The Panel finds that, since Technoimportexport has made no payments and has received no requests for payment from sub-contractors, Technoimportexport has incurred no loss in respect of "expected cancellation charges for unpaid equipment from sub-contractors". Accordingly, the Panel recommends no compensation.

(e) Sub-contractor claims

263. Technoimportexport seeks compensation in the amount of US$9,650,000 (KD 2,473,027) in respect of claims made against Technoimportexport by its sub-contractors. This loss item relates to claims made by two Kuwaiti sub-contractors (the "first and second Kuwaiti sub-contractors") as well as certain other unspecified sub-contractors.

264. Technoimportexport provided some information about the claims made by the first and second Kuwaiti sub-contractors, but did not provide any information concerning the remaining sub-contractors.

265. Technoimportexport stated that the first Kuwaiti sub-contractor commenced arbitration proceedings against it after Technoimportexport cancelled the sub-contract on 26 October 1989. Technoimportexport provided a copy of the final award of the International Court of Arbitration dated 11 June 1996. In the award, the International Court of Arbitration found Technoimportexport to be in breach of the sub-contract by terminating the sub-contract.

266. In respect of the claim allegedly made by the first Kuwaiti sub-contractor, the Panel finds that Technoimportexport did not explain the direct link between its stated loss and Iraq's invasion and occupation of Kuwait. On the information provided by Technoimportexport, the sub-contract with the first Kuwaiti sub-contractor was cancelled prior to Iraq's invasion of Kuwait. Accordingly, the Panel is unable to determine that the claim made by the first Kuwaiti sub-contractor was a direct result of Iraq's invasion and occupation of Kuwait. The Panel finds that Technoimportexport did not provide sufficient evidence of its stated losses in relation to claims allegedly made by the second Kuwaiti sub-contractor and the other unspecified sub-contractors.

267. The Panel recommends no compensation.

3. Recommendation for contract losses

268. The Panel recommends no compensation.

B. Loss of profits

269. Technoimportexport seeks compensation in the amount of US$960,000 for "missed benefits and profits" following the evacuation of its personnel from Kuwait.

270. The Panel finds that Technoimportexport failed to fulfil the evidentiary standard for loss of profits claims set out in paragraphs 133 to 138. Accordingly, the Panel recommends no compensation.

C. Loss of tangible property

271. Technoimportexport seeks compensation in the amount of US$1,330,000 for loss of tangible property, including equipment delivered from Bulgaria (US$380,000) and equipment, cars, trucks and office equipment (US$950,000).

272. The Panel finds that Technoimportexport did not provide sufficient evidence (a) of its ownership of the assets, (b) of the cost of the assets, or (c) that these items were in Kuwait on 2 August 1990. Accordingly, the Panel recommends no compensation.

D. Payment or relief to others

273. Technoimportexport seeks compensation in the amount of US$197,000 for costs incurred in respect of the evacuation of 88 employees from Kuwait to Bulgaria during the period 19 to 21 August 1990. Technoimportexport stated that, following Iraq's invasion of Kuwait, Technoimportexport withdrew its staff from the Project site and, using trucks supplied by a Bulgarian transport company, transported them to Jordan. Some of the employees flew back to Bulgaria from Jordan and others returned to Bulgaria in private cars. Technoimportexport stated that the employees' contracts were terminated upon their return to Bulgaria.

274. In support of its claim, Technoimportexport provided a list of 88 employees working on the Project during the month of August 1990, together with details of their monthly salaries. Technoimportexport also provided a declaration of one employee whose contract was terminated upon his return to Bulgaria.

275. While one would not expect a very detailed level of documentary substantiation for the costs incurred in moving people out of a theatre of war, nonetheless, this claim is deficient in supporting records. However, the Panel recognises the importance of companies accepting responsibility for assisting their staff out of such a situation and recommends the sum of $250 per person for the 88 employees of Technoimportexport. Therefore, the Panel recommends compensation in the amount of US$22,000.

E. "Performance bond"

276. Technoimportexport seeks compensation in the amount of US$1,368,742 for losses in connection with a performance bond allegedly issued in

respect of the Project. Technoimportexport failed to explain the nature of its loss and how it arose.

277. Applying the approach taken with respect to guarantees, bonds and like securities set out in paragraphs 99 to 108, and by reason of the lack of supporting documentation, the Panel recommends no compensation.

F. Summary of recommended compensation for Technoimportexport

278. Based on its findings regarding Technoimportexport's claim, the Panel recommends compensation in the amount of US$22,000. The Panel finds the date of loss to be 21 August 1990.

IX. MECHEL CONTRACTORS (OVERSEAS) LTD.

279. Mechel Contractors (Overseas) Ltd. ("Mechel"), a Cypriot-registered mechanical and electrical engineering company, was engaged to instal electrical and telephone networks for the Al-Kadiysa and Al-Bakr housing projects in Mahmudiya, Iraq.

280. Mechel seeks compensation in the total amount of US$11,166,672 for contract losses, interest on contract losses and loss of profits in connection with the two projects in Iraq. For the reasons stated in paragraph 37, the Panel makes no recommendation with respect to Mechel's claim for interest.

A. Contract losses

281. Mechel seeks compensation in the amount of US$5,226,264 for contract losses.

282. Mechel entered into two contracts dated 30 April and 12 July 1981 with the State Establishment for the Implementation of Housing Projects (the "Iraqi employer") pursuant to which it was engaged to instal electrical and telephone networks for the Al-Kadiysa and Al-Bakr housing projects in Mahmudiya, Iraq. Mechel stated that it completed work on both projects on 29 April 1986.

283. However, Mechel failed to provide copies of the project contracts, applications for payment, approved payment certificates, interim certificates, progress reports, account invoices and details of the actual payments received.

284. The Panel finds that Mechel did not provide sufficient evidence of its stated losses. Accordingly, the Panel recommends no compensation.

B. Loss of profits

285. Mechel seeks compensation in the amount of US$5,000,000 for loss of profits.

286. The Panel finds that Mechel failed to fulfil the evidentiary standard for loss of profits claims set out in paragraphs 133 to 138. Accordingly, the Panel recommends no compensation.

C. Summary of recommended compensation for Mechel

287. Based on its findings regarding Mechel's claim, the Panel recommends no compensation.

X. STROJEXPORT COMPANY LIMITED

288. Strojexport Company Limited ("Strojexport"), a company incorporated in the Czech Republic, is involved in the import and export of construction and building equipment and the provision of geological services, design work and related services. It seeks compensation in the total amount of US$99,525,690 for contract losses and interest, loss of tangible property, payment or relief to others and other financial losses allegedly caused as a direct result of Iraq's invasion and occupation of Kuwait.

289. At the time of Iraq's invasion of Kuwait, Strojexport was engaged as a contractor on five projects in Iraq (the North Rumaila Oil Fields Project, the West Qurna Oil Fields Project, the Hamrin Oil Fields Project, the Derbendikhan Tunnel Project and the Abu Ghraib Irrigation Project). It was also engaged on two projects in Kuwait (the Water Drilling and Wells Project and the provision of engineering services for the Ministry of Electricity) and one project in Jordan (the Reconstruction of the Road from Azraq to the Iraqi Border).

A. Contract losses in Iraq

1. Facts and contentions

290. Strojexport seeks compensation in the amount of US$69,032,156 for contract losses in Iraq.

291. Strojexport also seeks compensation for interest on the unpaid contractual amounts. For the reasons stated in paragraph 37, the Panel does not address the issue of compensability of claims for interest.

2. Analysis and valuation

(a) North Rumaila Oil Fields Project

292. Strojexport seeks compensation in the amount of US$2,229,318 for the unpaid foreign currency portion of invoices issued for work performed. The project contract between Strojexport and the Iraqi National Oil Company (later renamed the Southern Oil Company) was dated 19 December 1979. The project contract provided for the drilling of a number of oil wells in oil fields situated in North Rumaila in southern Iraq. Strojexport stated that the drilling under the project contract was completed in March 1990.

293. Under the project contract, payment for the work performed was deferred for either 12 or 36 months.

294. In support of its claim, Strojexport provided a copy of the project contract and its sales ledgers for the project up to 1990. Strojexport also provided copies of invoices dated between February 1988 and March 1990 for work performed between those dates.

Strojexport relate entirely to work that was performed prior to 2 May 1990. The claim for contract losses under the contract for the North Rumaila Oil Fields Project is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991). Applying the approach taken with respect to the "arising prior to" clause in paragraph 16 of Security Council resolution 687 (1991) set out in paragraphs 21 to 23, the Panel is unable to recommend compensation.

(b) West Qurna Oil Fields Project

296. Strojexport seeks compensation in the amount of US$1,475,749 for the unpaid foreign currency portion of invoices issued for work performed. The project contract between Strojexport and the Southern Oil Company was dated 28 January 1989. The project contract provided for work to be performed on oil boreholes situated in West Qurna in southern Iraq. Strojexport stated that work on the project was ongoing at the time of Iraq's invasion and occupation of Kuwait.

297. Under the project contract, payment for the work performed was deferred for periods ranging from 24 to 36 months.

298. The Panel finds that the Southern Oil Company is an agency of the State of Iraq. The supporting documentation provided by Strojexport indicates that the performance that created the debts in question occurred between August 1989 and August 1990. The Panel, therefore, finds that the contract losses alleged by Strojexport relate partly to work that was performed prior to 2 May 1990.

299. The claim for contract losses relating to work performed prior to 2 May 1990 is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991). Accordingly, applying the approach taken with respect to the "arising prior to" clause in paragraph 16 of Security Council resolution 687 (1991) set out in paragraphs 21 to 23, only the contract losses relating to work performed subsequent to 2 May 1990 are compensable. From the documentation provided by Strojexport, the Panel was able to identify the value of the work performed subsequent to 2 May 1990 and recommends compensation in the amount of US$461,019.

(c) Hamrin Oil Fields Project

300. Strojexport seeks compensation in the amount of US$1,866,653 for the unpaid foreign currency portion of invoices issued for work performed. The project contract between Strojexport and the North Oil Company was dated 25 January 1989. The project contract provided for the drilling of oil wells in Hamrin in northern Iraq. Strojexport stated that work on the project was ongoing at the time of Iraq's invasion and occupation of Kuwait.

301. Under the project contract, payment for work performed was deferred for periods ranging from 12 to 36 months.

302. The Panel finds that the North Oil Company is an agency of the State of Iraq. The supporting documentation provided by Strojexport indicates that the performance that created the debts in question occurred between June 1989 and August 1990. The Panel, therefore, finds that the contract losses alleged by Strojexport relate partly to work that was performed prior to 2 May 1990.

303. The claim for contract losses relating to work performed prior to 2 May 1990 is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991). Accordingly, applying the approach taken with respect to the "arising prior to" clause in paragraph 16 of Security Council resolution 687 (1991) set out in paragraphs 21 to 23, only the contract losses relating to work performed subsequent to 2 May 1990 are compensable. From the documentation provided by Strojexport, the Panel was able to identify the value of the work performed subsequent to 2 May 1990 and recommends compensation in the amount of US$540,000.

(d) Derbendikhan Tunnel Project

304. Strojexport seeks compensation in the amount of US$547,000 for the unpaid foreign currency portion of invoices issued for work performed and retention monies withheld. The project contract between Strojexport and the State Organization for Roads and Bridges was dated 17 May 1983. The project contract provided for the repair of the Derbendikhan Tunnel in Iraq. Strojexport stated that work under the project contract commenced in June 1983 and the project was handed over to the Iraqi employer in 1987.

305. The Panel finds that the State Organization for Roads and Bridges is an agency of the State of Iraq. The Panel finds that the contract losses alleged by Strojexport relate entirely to work that was performed prior to 2 May 1990. The claim for contract losses under the contract for the Derbendikhan Tunnel Project is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991). Accordingly, applying the approach taken with respect to the "arising prior to" clause in paragraph 16 of Security Council resolution 687 (1991) set out in paragraphs 21 to 23, and the approach taken with respect to losses arising as a result of unpaid retentions set out in paragraphs 92 to 98, the Panel is unable to recommend compensation.

(e) Abu Ghraib Irrigation Project

306. Strojexport seeks compensation in the amount of US$62,913,436 for contract losses allegedly incurred on the Abu Ghraib Irrigation Project. The claim is for the unpaid foreign currency portion of invoices issued for work performed, unpaid retention money on the project, work that was performed but not invoiced and two claims brought by Strojexport against the Iraqi employer. The project contract between Strojexport and the Higher Commission of Euphrates Basin was dated 25 April 1982. The project contract provided for the performance of land reclamation works, including irrigation, drainage and the installation of a road system, in Abu Ghraib.

Strojexport stated that work on the project commenced on 8 September 1982 and terminated in 1989, more than two years behind schedule.

307. The Panel finds that the Higher Commission of Euphrates Basin is an agency of the State of Iraq. The Panel finds that the contract losses alleged by Strojexport relate entirely to work that was performed prior to 2 May 1990. The claim for contract losses under the contract for the Derbendikhan Tunnel Project is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991). Accordingly, applying the approach taken with respect to the "arising prior to" clause in paragraph 16 of Security Council resolution 687 (1991) set out in paragraphs 21 to 23, the Panel is unable to recommend compensation.

3. Recommendation for contract losses in Iraq

308. The Panel recommends compensation in the amount of US$1,001,019.

B. Contract losses in Kuwait

1. Facts and contentions

309. Strojexport seeks compensation in the amount of US$152,045 for contract losses in Kuwait.

310. Strojexport also seeks compensation for interest on the unpaid contractual amounts. For the reasons stated in paragraph 37, the Panel does not address the issue of compensability of claims for interest.

2. Analysis and valuation

(a) Water Drilling and Wells Project

311. Strojexport seeks compensation in the amount of US$18,662 (KD 5,375) for unpaid invoices for work performed on the Water Drilling and Wells Project. In 1988, Strojexport entered into a contract with a Kuwaiti enterprise, Al-Aquol, for the drilling of oil wells in Kuwait.

312. Strojexport did not provide a copy of the project contract or any other documentation by reference to which the Panel could assess its claim. By reason of the lack of evidence in relation to this item, the Panel is unable to recommend compensation.

(b) Ministry of Electricity Project

313. Strojexport seeks compensation in the amount of US$133,383 (KD 39,161) for contract losses on the Ministry of Electricity Project. On 30 June 1986, Strojexport entered into a contract with the Ministry of Electricity and Water of Kuwait to provide engineering consultancy services on water structures. Strojexport stated that work under the contract was ongoing at the time of Iraq's invasion and occupation of Kuwait.

314. The claim is for unpaid invoices presented to the Kuwaiti employer for work performed between April and June 1990 as well as for work performed in July and August 1990 in respect of which Strojexport did not present invoices to the Kuwaiti employer. In support of its claim, Strojexport provided copies of all the relevant invoices.

315. The documentation provided by Strojexport in support of this item was presented in a rather confused manner, thus making it difficult for the Panel to follow. However, the Panel finds that there was sufficient evidence before it to enable it to make a recommendation for compensation in respect of invoice no. 8566/5/50. Accordingly, the Panel recommends compensation in the amount of US$28,951.

3. Recommendation for contract losses in Kuwait

316. The Panel recommends compensation in the amount of US$28,951.

C. Loss of profits

317. Strojexport seeks compensation in the amount of US$4,880,203 for loss of profits on the West Qurna Oil Fields Project and the Hamrin Oil Fields Project in Iraq and the Water Drilling and Wells Project in Kuwait. Strojexport's claim is in two parts, namely:

(a) "Losses suffered as a result of not being able to finalise the contract" (lost production) in respect of the West Qurna Oil Fields Project and the Hamrin Oil Fields Project; and

(b) "Compensation for not being able to use the fixed assets on other projects" after the completion of the West Qurna Oil Fields Project and the Hamrin Oil Fields Project and the Water Drilling and Wells Project.

318. The Panel finds that Strojexport failed to fulfil the evidentiary standard for loss of profits claims as set out in paragraphs 133 to 138. Accordingly, the Panel recommends no compensation.

D. Loss of tangible property

1. Facts and contentions

319. Strojexport seeks compensation in the amount of US$8,222,835 for loss of tangible property on projects in Iraq and Kuwait.

2. Analysis and valuation

(a) Losses in Iraq

(i) North Rumaila Oil Fields Project

320. Strojexport seeks compensation in the amount of US$1,396,630 for loss of tangible property from its camp in North Rumaila. The claim is for drilling equipment (US$1,123,954) and "small and short-time plant in use"

(US$272,675). Strojexport stated that the camp in North Rumaila was completely destroyed or damaged by bombing or fires following Iraq's invasion and occupation of Kuwait. Strojexport stated that the tangible property was either destroyed or stolen.

321. In respect of the claim for drilling equipment, the Panel is satisfied with the evidence provided by Strojexport of its ownership of, and the location in Iraq of, the equipment on 2 August 1990. However, the Panel considered it appropriate to make an adjustment to the value of the equipment as stated by Strojexport to take account of the age of the equipment. After making this adjustment, the Panel recommends compensation in the amount of US$60,515.

322. In respect of the "small and short-time plant in use", the Panel finds that Strojexport did not provide sufficient evidence (a) of its ownership of the assets, (b) of the cost of the assets, or (c) that these items were in Iraq on 2 August 1990. Accordingly, the Panel recommends no compensation.

(ii) West Qurna Oil Fields Project

323. Strojexport seeks compensation in the amount of US$4,380,618 for loss of tangible property from its camp in West Qurna. The claim is for equipment (US$4,313,172) and "small and short-time plant in use" (US$67,446). Strojexport stated that the camp in West Qurna was completely destroyed or damaged by bombing or fires following Iraq's invasion and occupation of Kuwait. Strojexport stated that the tangible property was either destroyed or stolen.

324. In support of its claim, Strojexport provided lists containing a description of the lost items, their respective invoiced and depreciated values and customs numbers. Strojexport stated that its records of the small plant and equipment lost from the West Qurna project site were destroyed.

325. The Panel finds that Strojexport provided sufficient evidence to enable the Panel to make a recommendation of US$2,188,884.

(iii) Hamrin Oil Fields Project

326. Strojexport seeks compensation in the amount of US$425,631 for loss of tangible property from its camp in Hamrin. The claim is for fifteen vehicles (US$175,631) and the cost of purchasing spare parts to restore drilling equipment, which had not been maintained during Iraq's invasion and occupation of Kuwait, to workable condition (US$250,000).

327. In support of its claim, Strojexport provided lists containing a description of the lost items, their respective invoiced and depreciated values and customs numbers. Strojexport also provided photographs of the project site in Hamrin.

328. The Panel finds that Strojexport did not provide sufficient evidence (a) of its ownership of the assets, (b) of the cost of the assets, or (c) that these items were in Iraq on 2 August 1990. Accordingly, the Panel recommends no compensation.

(iv) Abu Ghraib Irrigation Project

329. Strojexport seeks compensation in the amount of US$1,563,568 for loss of tangible property from its campsite. The claim is for materials, equipment, machinery and cars. Strojexport stated that the tangible property was either confiscated by the Iraqi authorities or stolen from the campsite.

330. In support of its claim, Strojexport provided a list of machinery lost from its Abu Ghraib project site together with photocopies of photographs of the site. These photographs show a tidy site with machinery in good working order.

331. The Panel finds that Strojexport did not provide sufficient evidence (a) of its ownership of the assets, (b) of the cost of the assets, or (c) that these items were in Iraq on 2 August 1990. Accordingly, the Panel recommends no compensation.

(b) Losses in Kuwait

(i) Water Drilling and Wells Project

332. Strojexport seeks compensation in the amount of US$406,389 for loss of tangible property from its yard and a house at Abdally, close to the Iraqi border, and from its office in Farwanyia. The claim is for equipment, material, workshop, spare parts and "lost equipment from flat and office". Strojexport did not state whether the assets were stolen or destroyed, but simply describes them as "lost".

333. In support of its claim, Strojexport provided lists of the items allegedly lost. The lists contain, in the case of the lost equipment, the description, the invoice and depreciated values of the various items, and, for all other items, a description and invoiced value in Kuwaiti dinars.

334. In respect of the equipment, material, workshop and spare parts, the Panel finds that Strojexport did not provide sufficient evidence (a) of its ownership of the assets, (b) of the cost of the assets, or (c) that these items were in Kuwait on 2 August 1990. Accordingly, the Panel recommends no compensation.

335. In respect of the "lost equipment from flat and office", Strojexport provided a police report which values the loss items at KD 5,480. This appears to be the purchase price and converts to US$19,026 (applying the rate of exchange used in Strojexport's claim). The Panel finds that the claim is generally lacking in evidence. Strojexport provided evidence which would support a recommendation of compensation in the amount of

(ii) Ministry of Electricity Project

336. Strojexport seeks compensation in the amount of US$50,000 for loss of tangible property.

337. The Panel finds that Strojexport did not provide sufficient evidence (a) of its ownership of the assets, (b) of the cost of the assets, or (c) that these items were in Kuwait on 2 August 1990. Accordingly, the Panel recommends no compensation.

3. Recommendation for loss of tangible property

338. The Panel recommends compensation in the amount of US$2,258,899.

E. Payment or relief to others

339. Strojexport seeks compensation in the total amount of US$40,085 for payment or relief to others. The claim is for the cost of an audit carried out for Kuwaiti Ministry of Finance (US$35,000) and the cost of airfares from Kuwait to Prague for five of its experts (US$5,085).

340. Strojexport did not provide copies of the air tickets or other documentation in support of its claim.

341. The Panel finds that Strojexport did not provide sufficient evidence in support of its claim. Accordingly, the Panel recommends no compensation.

F. Other financial losses

1. Facts and contentions

342. Strojexport seeks compensation in the amount of US$7,024,591 for other financial losses.

2. Analysis and valuation

(a) Derbendikhan Tunnel Project

343. Strojexport seeks compensation in the amount of US$51,870 for expenses allegedly incurred in connection with the extension of a performance bond issued in respect of the Derbendikhan Tunnel Project. It did not explain how these expenses arose or how the losses were directly caused by Iraq's invasion and occupation of Kuwait.

344. Applying the approach taken with respect to guarantees, bonds and like securities set out in paragraphs 99 to 108, and by reason of the lack of evidence provided in support of the claim, the Panel recommends no compensation.

(b) Abu Ghraib Irrigation Project

345. Strojexport seeks compensation in the amount of US$3,503,823 for losses allegedly incurred on the Abu Ghraib Irrigation Project. The items included in this claim together with the amounts claimed are set out in the following table:

Table 1. Strojexport's claim for other financial losses on the Abu Ghraib Irrigation Project

Loss item	Amount claimed (US$)
Additional customs expenses	645,000
Charges levied by sub-contractor	250,000
Bank charges (re bond)	92,250
Costs of prolongation of performance bond	2,513,573 (Original currency of loss: ID 744,150)
Total	3,500,823

346. Due to an arithmetical error in the claim, the total of the items included in the above table does not equal the total amount claimed for other financial losses in connection with the Abu Ghraib Irrigation Project.

(i) Customs expenses, sub-contractor charges and performance bonds

347. Strojexport stated that it was penalised by the Iraqi authorities because it was unable to present all original documentation required to finalise the customs procedures. Strojexport did not provide any evidence of the customs penalty.

348. Strojexport provided a statement of an amount claimed by a sub-contractor, Scharsamg Bureau. There was no evidence of payment of the relevant amount by Strojexport or explanation as to how the stated loss was directly caused by Iraq's invasion and occupation of Kuwait.

349. The evidence provided by Strojexport indicates that the performance bond dated May 1982 was extended from May 1987 to May 1990. Strojexport provided no evidence of payment of the relevant amounts by Strojexport or explanation as to how the stated loss was directly caused by Iraq's invasion and occupation of Kuwait.

350. The Panel recommends no compensation for these items.

(ii) Reconstruction of Road from Azraq to Iraqi Border

351. Strojexport seeks compensation in the amount of US$3,392,467 for losses allegedly incurred on the project for the reconstruction of the road from Azraq to the Iraqi border. The claim is for loss of all the guarantees issued in respect of the project. Strojexport failed to explain the nature of its losses and how they were directly caused by Iraq's invasion and occupation of Kuwait.

352. Applying the approach taken with respect to guarantees, bonds and like securities set out in paragraphs 99 to 108, and by reason of the lack of evidence provided in support of the claim, the Panel recommends no compensation.

(c) Ministry of Electricity Project

353. Strojexport seeks compensation in the amount of US$76,431 for losses allegedly incurred on the Ministry of Electricity Project. The claim is for the cost of bank guarantees allegedly maintained by Strojexport in relation to the project. Strojexport stated that the project contract required it to maintain the bank guarantees in favour of the Kuwaiti employer until the completion of the project. Strojexport failed to explain the nature of its losses and how they were directly caused by Iraq's invasion and occupation of Kuwait. Strojexport did not explain why the bank guarantees remained outstanding even after completion of work on the project.

354. Applying the approach taken with respect to guarantees, bonds and like securities set out in paragraphs 99 to 108, and by reason of the lack of evidence provided in support of the claim, the Panel recommends no compensation.

3. Recommendation for other financial losses

355. The Panel recommends no compensation.

G. Summary of recommended compensation for Strojexport

356. Based on its findings regarding Strojexport's claim, the Panel recommends compensation in the amount of US$3,288,869. The Panel finds the date of loss to be 2 August 1990.

XI. SOCHATA S.A.

357. Sochata S.A. ("Sochata"), is a French corporation that was engaged by the Ministry of Defence of the Republic of Iraq (the "Iraqi employer") in 1981 to maintain and repair Mirage military aircraft engines. Sochata seeks compensation in the total amount of US$18,086,277 (FRF 94,808,262) (modified from the original claim in the amount of US$20,408,546 (FRF 106,981,598)) for contract losses, storage expenses and other financial losses.

A. Contract losses

358. Sochata seeks compensation in the amount of (FRF 70,113,262) (modified from the original claim in the amount of FRF 82,286,598) for contract losses.

359. The Panel finds that Sochata did not provide sufficient evidence of its stated losses. In particular, the refusal to provide the contract out of which the claims arise is a major obstacle to effective consideration of the claims. The explanation given for that refusal - namely the confidentiality of the document in question - does not constitute any justification for the Panel to seek to evaluate the claims without the seminal document from which they arise. The Panel has no option but to recommend no compensation.

B. Storage expenses

360. Sochata seeks compensation in the amount of FRF 3,719,000 for expenses incurred in relation to the storage of jet engines.

361. Sochata provided no evidence in support of its claim. The Panel recommends no compensation.

C. "Financing charges"

362. Sochata seeks compensation in the amount of FRF 11,890,000 for "financing charges".

363. For the reasons stated in paragraph 37, the Panel does not address the issue of compensability of claims for interest. Accordingly, the Panel has not reviewed the substance of the claim. However, the absence of relevant documentation - in particular the contract - would almost certainly have prevented the Panel from making any favourable recommendation in favour of Sochata.

D. "Advance restitution bonds"

364. Sochata seeks compensation in the amount of FRF 4,989,000 for "advance restitution bonds, the release of which ... cannot be arranged".

365. Sochata provided copies of a performance guarantee issued by the Rafidain Bank in favour of the Iraqi employer. The guarantee was issued

for the first time on 22 June 1987 and was expressed to be valid until 31 March 1988. Further documents provided by Sochata indicate that the guarantee was subsequently extended until 31 March 1989 and again until 31 March 1990. There is no evidence of any extension of the guarantee beyond 31 March 1990, nor of any attempt to obtain the release of the guarantee nor of any payments made by Sochata to support or honour the bond.

366. The Panel finds that Sochata failed to demonstrate any loss on its part or the existence of a direct link between Iraq's invasion and occupation of Kuwait and its claim for "advance restitution bonds". The Panel recommends no compensation.

E. Commercial expenses

367. Sochata seeks compensation in the amount of FRF 4,097,000 in respect of "commercial expenses not covered because of the inability to deliver and bill the ... work in progress".

368. Sochata provided no evidence in support of its claim. The Panel recommends no compensation.

F. Summary of recommended compensation for Sochata

369. Based on its findings regarding Sochata's claim, the Panel recommends no compensation.

XII. SOM DATT BUILDERS LIMITED

370. Som Datt Builders Limited ("Som Datt"), an Indian general contractor, was involved in a large number of projects in Iraq prior to 1990. Som Datt seeks compensation in the amount of US$120,671,601 (modified from the original claim in the amount of US$166,693,562) for contract losses (including unpaid contractual amounts, unpaid retention money and unpaid interest on certified payments under deferred payment agreements between the Governments of India and Iraq) in respect of the Hilla and Mosul Projects, loss of profits, loss of tangible property, evacuation of 277 of its employees from Iraq and loss of use of funds held in Iraqi banks.

371. Most of the projects had been completed as at 2 August 1990. In respect of two of the projects (the Hilla and Mosul Projects), the work had almost been completed prior to 2 August 1990. The outstanding work was commissioning. According to Som Datt, this was late because of the failure of the Iraqi employer, (the Ministry of Local Government of Iraq, State Organization for Water and Sewerage Projects, General Establishment for Implementing Water and Sewerage Projects), to supply pipes. Som Datt stated that work on the Hilla and Mosul Projects was abandoned immediately after Iraq's invasion of Kuwait and it performed no work on the projects after this date.

A. Contract losses

1. Facts and contentions

372. Som Datt seeks compensation in the amount of US$17,820,459 (modified from the original claim in the amount of US$19,490,080) for contract losses, including unpaid work and site materials (US$8,722,969) and unpaid retention money (US$9,097,490).

(a) Unpaid work and site materials

373. Som Datt seeks compensation for unpaid work and site materials on the Hilla Project (US$2,486,507 = ID 774,899) and the Mosul Project (US$6,236,402 = ID 1,943,477). The claim is for the unpaid United States dollar portion of bills 50 and 51 for the Hilla Project and bills 49 to 53 for the Mosul Project. Som Datt stated that the Iraqi dinar portion of these bills was paid by the Iraqi employer.

374. Som Datt also claims "commissioning charges" for each of the Hilla and Mosul Projects. Som Datt stated that it completed all work relating to commissioning, however, commissioning could not take place due to the fact that the remaining pipeline work was unable to be completed.

(b) Unpaid retention money

375. Som Datt seeks compensation in the amount of US$9,097,490 for unpaid retention money that was withheld by the Iraqi employer on the Hilla and Mosul Projects, the Housing Project, the Central Complex Base Project and

the Ramady Water Supply Scheme Project. The claimed amounts for each project are set out in the following table:

Table 2. Som Datt's claim for unpaid retention money

Project	Amount claimed (ID)	Amount claimed (US$)
1. Hilla Project	652,737	2,094,561
2. Mosul Project	1,084,465	3,479,928
3. Housing Project	517,402	1,660,286
4. Central Complex Base Project	276,642	934,434
5. Ramady Water Supply Scheme Project	274,799	928,281
Total		9,097,490

376. In response to a request by the Panel for further information, Som Datt sought to to increase the claimed amount for unpaid retention money on the Hilla Project to US$2,656,067 (ID 827,722). However, for the reasons set out in paragraphs 61 to 63 (amending claims after filing), the Panel did not consider Som Datt's claim for the revised amount.

2. Analysis and valuation

(a) Unpaid work and site materials

377. In support of its claim, Som Datt provided a number of documents evidencing its claim to the Iraqi employer for the unpaid amounts. These documents include correspondence from Som Datt to the Iraqi employer and summaries of the amounts owed put together by Som Datt.

378. Som Datt also provided copies of the relevant bills. In respect of the Hilla Project, bill nos. 50 and 51 dated 31 May 1990 were issued in respect of work performed from 1 April to 30 May 1990. In respect of the Mosul Project, bill nos. 49 and 50 dated 1 May 1990 were issued in respect of work performed from 1 March to 30 April 1990; bill nos. 51 and 52 dated 1 July 1990 were issued in respect of work performed from 1 May to 30 June 1990 and bill no. 53 dated 1 August 1990 was issued in respect of work performed during the month of July 1990.

379. The Panel finds that the Ministry of Local Government of Iraq, State Organization for Water and Sewerage Projects, General Establishment for Implementing Water and Sewerage Projects is an agency of the State of Iraq.

381. The claim for contract losses relating to work performed prior to 2 May 1990 is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991). This includes part of the work included in bill nos. 50 and 51 issued in respect of the Hilla Project and all of the work included in bill nos. 49 and 50 issued in respect of the Mosul Project. Accordingly, applying the approach taken with respect to the "arising prior to" clause in paragraph 16 of Security Council resolution 687 (1991) set out in paragraphs 21 to 23, only the contract losses relating to work performed subsequent to 2 May 1990 are compensable.

382. From the documentation provided by Som Datt, the Panel was able to identify the value of the work performed and materials delivered subsequent to 2 May 1990 as ID 57,783. Applying the exchange rate set down in the project contracts, this amount can be converted to US$185,420. The Panel, therefore, recommends compensation in the amount of US$185,420.

(b) Unpaid retention money

(i) Hilla and Mosul Projects

383. In support of its claim for unpaid retention money on the Hilla and Mosul Projects, Som Datt provided a copy of the general conditions applicable to the Hilla and Mosul Projects. General condition 10 states that retention monies in the amount of 10 per cent of the value of the work performed were to be withheld. Half of the retention monies were to be released at the commencement of the maintenance period, with the other half to be released upon final commissioning. The timetable for the release of retention monies was confirmed by letters of intent entered into between the Iraqi employer and Som Datt for the Hilla and Mosul Projects.

384. Som Datt also provided internally-generated statements of the retention monies withheld in respect of the Hilla and Mosul Projects. In addition, it provided copies of correspondence with the Iraqi employer confirming the amounts of retention monies withheld, requests for payment under bills 46-48 for work performed between December 1989 and February 1990 on the Mosul Project and subsequent confirmation of payment by the Iraqi employer of those bills. Som Datt also provided variation orders for the Mosul Project and bills issued under the variation orders.

385. Applying the approach taken with respect to losses arising as a result of unpaid retentions set out in paragraphs 92 to 98, the Panel recommends compensation in the full amount originally claimed for the Hilla (US$2,094,561) and Mosul (US$3,479,928) Projects. The total amount of compensation recommended by the Panel is US$5,574,489.

387. Som Datt did not provide sufficient evidence in support of its claim. Accordingly, the Panel recommends no compensation.

3. Recommendation for contract losses

388. The Panel recommends compensation in the amount of US$5,759,909 for contract losses.

B. Loss of interest

389. Som Datt seeks compensation in the amount of US$11,617,618 (modified from the original claim for US$50,793,501) for interest due from 30 June 1990 to 31 December 1998 on unpaid amounts certified under the Hilla and Mosul Project contracts. Som Datt stated that the claimed amounts were payable under a deferred payment arrangement entered into in respect of the Hilla and Mosul Projects. This arrangement was made in March 1987, some 19 months after the entering into of the project contracts themselves. In the circumstances, applying the approach taken with respect to contractual arrangements to defer payments set out in paragraphs 72 to 91, this claim is not compensable.

390. Som Datt also seeks compensation in the amount of US$30,119,266 (modified from the original claim for US$35,786,724) for loss of future earnings of interest on receivables.

391. The Panel has been unable to ascertain with confidence the nature of the claim. However, it appears that, in part at least, it arises out of the debt restructuring that took place during the execution of the Hilla and Mosul Projects. To that extent, applying the approach taken with respect to contractual arrangements to defer payments set out in paragraphs 72 to 91, the claim is not compensable. Another part of the claim appears to be interest on unpaid monies. However, for the reasons stated in paragraph 37, the Panel does not address the issue of compensability of claims for interest. If and insofar as any other claim has been made, the Panel has been unable to discern a basis for it and, accordingly, is unable to make any recommendation.

392. The Panel makes no recommendation.

C. Loss of profits

393. Som Datt seeks compensation in the amount of US$25,775,959 for loss of profits, including loss of profits on the unfinished portion of the Hilla Project and the Mosul Project (US$775,959) and "loss of future earnings on project execution" (US$25,000,000).

394. The Panel finds that Som Datt did not provide any evidence to

D. Loss of tangible property

395. Som Datt seeks compensation in the amount of US$32,448,656 for loss of plant, machinery, equipment, vehicles, stores, spare parts and caravans that were allegedly stolen, damaged or confiscated by the Iraqi authorities after they were left behind at the Hilla and Mosul Project sites. Som Datt claims US$16,483,131 in respect of assets left behind at the Hilla Project site and US$15,965,525 in respect of assets left behind at the Mosul Project site.

396. In support of its claim, Som Datt provided statements of the value of tangible assets left behind at the Hilla and Mosul Project sites. The value of the assets was certified by the resident engineer for each project. Som Datt also provided comprehensive inventories of the stolen, damaged or confiscated assets together with unit numbers and total cost and police reports concerning the stolen assets. Finally, Som Datt submitted correspondence that confirmed the 1992 confiscation of assets left at the Mosul Project site.

397. In respect of the assets allegedly lost from the Hilla Project site, while the Panel suspects that Som Datt has indeed suffered a loss of tangible property, it is wholly impossible on the material before the Panel to put an accurate figure on that loss. Even assuming that any or all of the assets for which there is a claim were in Iraq and even assuming that the loss of their use was attributable to Iraq's invasion and occupation of Kuwait, there is still insufficient information to value the relevant loss. Accordingly, the Panel makes no recommendation.

398. In respect of the assets allegedly confiscated from the Mosul Project site, applying the approach taken with respect to the confiscation of tangible property by the Iraqi authorities after the liberation of Kuwait set out in paragraph 154, the Panel is unable to make a recommendation.

E. Payment or relief to others - repatriation of workers from Iraq

1. Facts and contentions

399. Som Datt seeks compensation in the amount of US$1,282,495 for expenses connected with the evacuation of 277 employees from Iraq to India. Of the employees evacuated, 267 were working on the Hilla and Mosul Projects and 10 were employed in Som Datt's Baghdad office. The items claimed for are set out in the following table:

Table 3. Som Datt's claim for payment or relief to others

	Item	Amount claimed (original)	Amount claimed (US$)
1.	Transportation expenses - 267 employees from Iraq to Baghdad @ ID 50 per person	ID 13,350	42,839
2.	Food expenses in Baghdad for 3 to 5 days (average rate: ID 150 per person)	ID 40,050	128,516
3.	Transportation expenses - 277 employees from Baghdad to Amman @ ID 100 per person	ID 27,700	88,886
4.	Food expenses - Amman @ ID 50 per person	ID 13,850	44,443
5.	"Clearing people" @ ID 20 per person	ID 5,540	17,777
6.	Food and local expenses during stopover	ID 50,000	160,445
7.	Airfare from Amman to Delhi and Bombay for 77 persons	JD 19,153	26,545
8.	Leave salary/notice pay gratuity	ID 72,996	234,141
9.	Idle wages paid to 62 employees (August and December 1990) and related expenses in Baghdad @ ID 150 per month		277,055
10.	Prepaid and unutilised air tickets	ID 31,601	101,404
11.	Advance rent and bond for leased office		160,444
	Total amount claimed		1,282,495

2. Analysis and valuation

400. In support of its claim, Som Datt provided a list of the 277 evacuated employees showing first names, family names and passport numbers and an itemised list of expenditure for repatriation of the workforce from Iraq after 2 August 1990.

401. Som Datt provided no evidence in support of its claim for items 1-6 and item 11 in the above table.

402. In support of its claim for airfares from Amman to Delhi and Bombay for 77 persons (item 7 in the above table), Som Datt provided sufficient evidence in the form of air tickets for 64 people. Som Datt stated that the air tickets for the remaining employees are not available and "hence the claim for air fare is restricted to the persons for which the tickets are filed". Som Datt stated that the total paid for the air tickets for the 64 people was equivalent to US$32,889. However, it restricts

403. In support of its claim for leave salary/notice pay gratuity (item 8 in the above table), Som Datt provided sufficient evidence to support its loss.

404. In support of its claim for item 9 in the above table (idle wages paid to 62 employees and workers between August and December 1990), Som Datt did not provide sufficient evidence of payment of idle wages and did not provide any evidence in support of the related expenses for accommodation, food, medical expenses and local transport in Baghdad for 62 people.

405. In support of its claim for prepaid and unutilised air tickets: Delhi/Baghdad sector (item 10 in the above table), Som Datt provided insufficient evidence to support the alleged loss.

3. Recommendation for payment or relief to others

406. While one would not expect a very detailed level of documentary substantiation for the costs incurred in moving people out of a theatre of war, nonetheless, this claim is seriously deficient in supporting records and appears on the face of it to be appreciably inflated. However, the Panel recognises the importance of companies accepting responsibility for assisting their staff out of such a situation. The Panel also notes the generally credible approach of Som Datt to its claim. In the circumstances, and based on the material before it, the Panel is able to recommend compensation in the amount of US$296,366 (ID 88,045 and US$13,263).

F. Loss of use of funds held in bank accounts in Iraq

407. Som Datt seeks compensation in the amount of US$1,045,641 (ID 325,858) (modified from the original claim for US$1,116,145 (ID 406,866)) for loss of cash balances held in five separate bank accounts with the Rafidain Bank, Baghdad, Mosul and Hilla branches. Som Datt deposited the funds with the Rafidain Bank "for the performance of the contracts under execution and other activities in Iraq". Som Datt stated that it is unable to access the funds or withdraw them from Iraq.

408. Applying the approach taken with respect to loss of funds in bank accounts in Iraq set out in paragraphs 142 to 147, the Panel recommends no compensation.

G. Summary of recommended compensation for Som Datt

409. Based on its findings regarding Som Datt's claim, the Panel recommends compensation in the amount of US$6,056,275. The Panel finds the date of loss to be 2 August 1990

XIII. SNAMPROGETTI SPA

410. Snamprogetti SpA ("Snamprogetti") is an Italian corporation involved in engineering, contracting and technological research. At the time of Iraq's invasion and occupation of Kuwait, Snamprogetti was involved in the development, design and construction of a number of industrial and infrastructure facilities projects in Iraq.

411. Snamprogetti seeks compensation in the amount of US$68,594,738 for lost cash and funds in bank accounts, loss of tangible property, accounts payable to suppliers, receivable credits, costs incurred and not invoiced, the fixed costs of running the Baghdad branch office and "lost" bank guarantee bonds paid to Iraqi clients. The losses were allegedly incurred by Snamprogetti and its English and Swiss subsidiaries.

412. Snamprogetti intimated that it had documentation to support its claims at its head office. However, it is required that all documents upon which a claimant wishes to rely in support of its claim must be filed with the Commission. If the documents are not filed, the Panel cannot rely upon them. Accordingly, in those cases where Snamprogetti relies only upon documents which have not been filed, there has been nothing to consider and the Panel's recommendation is inevitably nil.

A. Lost cash and funds in bank accounts

413. Snamprogetti seeks compensation in the total amount of US$6,031,528 (ID 1,875,805) for lost cash and funds in bank accounts. The relevant amounts were cash funds kept at Snamprogetti's Basrah site office (ID 27,387) and amounts deposited in three accounts with the Rafidain Bank, Baghdad and Basrah branches (ID 1,848,418).

414. Snamprogetti stated that, following Iraq's invasion and occupation of Kuwait, it "lost access to these sums, which were presumably confiscated". Snamprogetti stated that the amounts deposited with the Rafidain Bank were frozen after Iraq's invasion and occupation of Kuwait.

415. The Panel finds that Snamprogetti failed to establish that the petty cash existed at the Basrah site at the time the project site was abandoned. The Panel was unsure of the relevance of the Basrah site cash account records as of 31 December 1991 provided by Snamprogetti, given that the loss allegedly occurred after Snamprogetti's expatriate personnel left the site in November and December 1990. Applying the approach taken with respect to loss of petty cash in Iraq paragraph 148, the Panel recommends no compensation for lost cash.

416. Applying the approach taken with respect to loss of funds in bank accounts in Iraq set out in paragraphs 142 to 147, the Panel recommends no

B. Loss of tangible property

417. Snamprogetti seeks compensation in the amount of US$1,729,250 (ITL 2,004,720,000) for loss of tangible property, including heavy equipment, machinery, vehicles, tools, office equipment and furniture.

418. Snamprogetti stated that all of the tangible property was confiscated by the Iraqi authorities. This was supported by a confiscation order dated 16 April 1992 issued by the Presidential Bureau of Iraq.

419. Apart from a list of the tangible property the subject of its claim to which were attached an asserted value and a depreciation rate, Snamprogetti provided virtually no documentation in support of this claim. Instead, it said that all of the relevant documentation was available at its head office. In the premises, there was no material which the Panel could consider evidencing the claim.

420. In addition, applying the approach taken with respect to the confiscation of tangible property by the Iraqi authorities after the liberation of Kuwait set out in paragraph 154, the Panel recommends no compensation.

C. Contract losses: accounts payable to suppliers

1. Facts and contentions

421. Snamprogetti seeks compensation in the amount of US$4,602,495 (ITL 1,164,562,100, US$3,589,064, CHF 11,488) for accounts payable to fourteen of its suppliers. The suppliers are predominately Italian companies. However, they also include a Swiss corporation and a United States corporation. Snamprogetti stated that between 30 August 1990 and 31 October 1991 it was invoiced the cost of services provided and materials supplied by suppliers under supply contracts entered into in respect of three projects in Iraq (the Lube Oil Plant, Basrah, the East Baghdad Oil Field and the Wax Hydrofinishing Project).

422. Snamprogetti stated that it was unable to re-invoice the amounts invoiced for services supplied due to the forced interruption of relations with its Iraqi clients as a result of Iraq's invasion and occupation of Kuwait. Snamprogetti stated that the materials that were unable to be shipped as a result of Iraq's invasion and occupation of Kuwait were subsequently unable to be used in other projects. Snamprogetti did not state what happened to the materials.

2. Analysis and valuation

423. In support of its claim, Snamprogetti provided a schedule for each of

suppliers. However, Snamprogetti stated that it has not paid all of the suppliers for the amounts invoiced. It provided evidence of payment to one sub-contractor only.

424. A cross-category check by the secretariat has identified the fact that three of Snamprogetti's sub-contractors have filed claims for the relevant outstanding sums directly with the Commission. As the party with the primary entitlement to the money (if any money is due) it is the view of the Panel that a sub-contractor is entitled to seek compensation directly. Where this happens, the identical claim cannot be recommended for payment where it is made by another party to the sub-contract. Accordingly, the Panel makes no recommendation with respect to these three sub-contractors.

425. Snamprogetti has denied any liability to one of the sub-contractors in proceedings in another forum. In the circumstances, it is difficult to see on what basis Snamprogetti can maintain a claim in its own name to the self same sums sought to be recovered by this sub-contractor. Accordingly, the Panel recommends no compensation in respect of this claim.

426. In respect of all of the sub-contractor claims, there are (as there have been before in other of these claims) documentary problems. In numerous of the cases, the relevant sub-contract has not been supplied to the Panel. There is no explanation in respect of materials that were not shipped of precisely why it was that no use could have been made of them and why they did not apparently have any scrap value. These difficulties render it impossible for the Panel to form any reasonable rational view of the amount of Snamprogetti's actual loss, if any.

3. Recommendation for accounts payable to suppliers

427. The Panel recommends no compensation.

D. Contract losses (receivable credits)

428. Snamprogetti's claim for receivable credits is a claim for outstanding contractual debt and retention money under twelve project contracts (Lube Oil Plant, South LPG Project, Wax Hydrofinishing Project, East Baghdad Oil Field Project, IPSA Phases I and II, Waste Water Treatment Plant, Men's Garment Project, Najaf, Crude Oil Export from Khor al Zubair, 27 filling stations, Fertilizer Expansion Project No. 3 and Gas Sweetening Plant).

429. The following table sets out the position summarised in the previous paragraph.

Table 4. Snamprogetti's claim for receivable credits

Project	Items included in claim	Net amount of claim
1. Snamprogetti SpA		
Lube Oil Plant, Basrah	Contract	US$ 1,299,533
		ITL 52,700,000
		ID 2,727
	Less advance payment	(US$ 5,442)
		(ID 663)
South LPG Project	Contract	US$ 147,347
		ID 1,250
Wax Hydrofinishing Project	Contract	US$ 2,206,087
		ID 136,251
	Less advance payment	(US$ 712,529)
		(ID 15,498)
East Baghdad Oil Field Project	Contract	US$ 1,533,706
		ID 353,288
	Less advance payment	(US$ 3,656)
IPSA Phase I	Contract	US$ 1,868,872
		ID 107,720
	Less advance payment	(ID 56)
IPSA Phase II	Contract	DM 3,682,026
		ID 5,166
	Less advance payment	(DM 315,165)
		(ID 559)
Waste Water Treatment Plant, Basrah	Contract	US$ 5,062,219
		ID 162,629
	Less advance payment	(US$ 496,237)
		(ID 95,964)
Crude Oil Export from Khor Al Zubair	Contract	US$ 138,450
Men's Garment Project,	Contract	DM 2,725,861

27 Filling Stations	Contract	ID 83,929
Fertilizer Expansion Project No. 3	Advance payment	(DM 36,130,500)
2. Snamprogetti Ltd. UK		
East Baghdad Oil Field Project	Contract	GBP 823,688
Gas Sweetening Plant	Contract Less advance payment	GBP 440,294 (GBP 62,483)
3. Snamprogetti S.A. Geneva		
Waste Water Treatment Plant, Basrah	Contract	US$ 888,387
	Total	US$ 11,926,737 (DM 30,245,800) ITL 52,700,000 ID 845,498 GBP 1,201,499

430. On the assumption that all of Snamprogetti's claims summarised in the table above are valid and recoverable in the full amount, Snamprogetti is still left with a surplus. This is the result of the substantial advance payment of DM 36,130,500 paid in respect of the Fertilizer Expansion Project No. 3.

431. That advance payment appears in the table above in the reduced amount of DM 30,245,800. The reduction has taken account of advance expenditures which Snamprogetti has noted as having been expended in respect of other projects. It follows that the surplus noted in the previous paragraph has taken into account claims in respect of these advance expenditures as well.

432. In the circumstances, there is no loss to Snamprogetti in respect of contract receivables for which the Panel can recommend compensation. Indeed it is necessary when considering the remaining claim of Snamprogetti to bear in mind the surplus which still exists after making the above calculation. In doing so however, the Panel notes that Snamprogetti, in its formulation of the claim, allowed for the advanced payment of DM 36,130,500 in its claim for contract receivables generally. It did not introduce it into the claim for the Fertilizer Expansion Project No. 3, where it might more logically have been expected to appear. While this Panel is in no way bound by the way in which claims are formulated or characterised, in the present case, it has decided to respect Snamprogetti's formulation.

E. Contract losses (costs incurred and not invoiced)

434. Snamprogetti seeks compensation in the amount of US$4,150,781 (ITL 4,812,000,000) for costs incurred and not invoiced in relation to the Fertilizer Expansion Project No. 3. Snamprogetti stated that the project contract was entered into between Snamprogetti and the Fertilizer Projects Commission of Iraq on 24 July 1989. On 3 April 1990, the same parties entered into Addendum No. 1 and a "Bridge Agreement". Under the Bridge Agreement, Snamprogetti agreed to start work on the project against the advance payment. Snamprogetti stated that it continued work under the Bridge Agreement until 2 August 1990 at which time work on the project was interrupted by Iraq's invasion and occupation of Kuwait.

435. Snamprogetti claims the costs allegedly incurred by it in connection with its bid for the project (ITL 659,000,000), operating costs allegedly incurred by it prior to the cessation of work (ITL 3,225,000,000) and overheads relating to engineering costs incurred during the operating phase (ITL 928,000,000). Snamprogetti stated that the amount claimed is 70 per cent of ITL 1,326,000,000.

436. There are numerous problems with this claim. Bid costs, operating costs, and overheads are to be recovered through the payments under the contract for work done. While this is a claim for work done, there is no indication of how much of these costs would be recovered through any payment made in respect of it. Accordingly, the Panel does not see this item as recoverable in principle, and, in any event, it is unable to make any accurate evaluation of quantum.

437. The Panel recommends no compensation.

F. Fixed costs of running the Baghdad branch office

438. Snamprogetti seeks compensation in the amount of US$740,102 (ITL 858,000,000) for the fixed costs of operating its Baghdad branch office during the period August 1990 to February 1991. The main items claimed for are the labour costs of expatriate personnel, rent for the building and "consumables".

439. The Panel finds that Snamprogetti failed to explain how the costs incurred were a direct result of Iraq's invasion and occupation of Kuwait. In any event, the Panel is of the view that they would have been covered by the surplus noted in paragraph 430, *supra*. Accordingly, the Panel recommends no compensation.

G. Bank guarantee bond in favour of Iraqi clients

440. Snamprogetti included in its claim a claim for compensation in the amount of US$53,729,033 (US$16,161,955, DM 39,741,036, ID 2,778,251, GBP

Although Snamprogetti has not actually incurred a loss in respect of the guarantees, its claim was expressed as a risk of the Iraqi clients cashing the guarantees "due to non-performance of contractual obligations".

441. Snamprogetti further stated that it has not actually incurred a loss with respect to the bank guarantee bonds, but is merely reserving its right to file a claim in the future if the Iraqi clients cash the bonds at some future point in time.

442. The Panel finds that Snamprogetti's claim is too contingent and remote. Snamprogetti openly admits that it has not yet incurred a loss with respect to the bank guarantees. The Panel has dealt with Snamprogetti's other claims, and on the basis of the documentation provided by Snamprogetti, sees no justification for a further award of compensation. For these reasons, and applying the approach taken with respect to guarantees, bonds and like securities set out in paragraphs 99 to 108, the Panel recommends no compensation.

H. Summary of recommended compensation for Snamprogetti

443. Based on its findings regarding Snamprogetti's claim, the Panel recommends no compensation.

XIV. SAMSUNG ENGINEERING AND CONSTRUCTION CO. LTD.

444. Samsung Engineering and Construction Co., Ltd., ("Samsung"), a Korean corporation, is an engineering contractor that was engaged to perform work on a number of construction projects in Iraq at the time of Iraq's invasion of Kuwait. Samsung seeks compensation in the total amount of US$78,791,431 for contract losses, loss of interest and loss of tangible assets.

445. Samsung had been engaged by the State Corporation for Roads and Bridges of the Republic of Iraq to perform work on the Baghdad-Abu Ghraib Expressway Project, and by the State Contracting Company for Industrial Projects of the Republic of Iraq to perform work on the Ancillary Building Project and the Concrete Deck Project.

A. Contract losses

1. Facts and contentions

446. Samsung claims the amount of US$61,285,569 for contract losses. Samsung stated that it had completed all work on each of the projects by December 1989.

447. Samsung also seeks compensation in the amount of US$15,267,504 for interest on unpaid promissory notes. For the reasons stated in paragraph 37, the Panel does not address the issue of compensability of claims for interest.

2. Analysis and valuation

(a) Unpaid promissory notes

448. Samsung seeks compensation in the amount of US$59,491,126 for unpaid promissory notes. The promissory notes were issued under deferred payment arrangements entered into between Samsung and the Iraqi employer in respect of the Baghdad-Abu Ghraib Expressway Project, the Ancillary Building Project and the Concrete Deck Project. The deferred payment arrangements were entered into subsequent to the signing of each of the project contracts.

449. The Panel finds that the State Corporation for Roads and Bridges and the State Contracting Company for Industrial Projects are agencies of the State of Iraq. The Panel has considered the documentation such as was put forward in support of this claim. The Panel finds that the promissory notes the subject of Samsung's claim relate to work that was entirely performed prior to 2 May 1990.

450. The claim for unpaid promissory notes is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991). Accordingly, applying the approach taken with respect to the "arising prior to" clause in paragraph 16 of Security Council resolution

687 (1991) set out in paragraphs 21 to 23, the Panel is unable to recommend compensation.

(b) Unpaid contractual amounts: Baghdad-Abu Ghraib Expressway Project

451. Samsung seeks compensation in the amount of US$327,226 for overdue progress payments in respect of the Baghdad-Abu Ghraib Expressway Project. Samsung also seeks compensation in the additional amount of US$572,687 for the first half of the retention money on the Baghdad-Abu Ghraib Expressway Project.

452. Samsung stated that the provisional acceptance certificate for the Baghdad-Abu Ghraib Expressway Project was issued on 24 December 1989 and the maintenance period expired in December 1990. Samsung applied for the issue of the final acceptance certificate in December 1990, however, it was not issued by the Iraqi employer until 7 November 1991. Samsung stated that this delay in the issue of the final acceptance certificate was a result of Iraq's invasion and occupation of Kuwait.

(i) Overdue progress payments

453. Samsung's claim for overdue progress payments relates to amounts covered by invoices nos. 55 to 57. Samsung did not provide copies of these invoices. Samsung stated neither the dates of their issue nor the dates of the performance of the work to which they related. Samsung stated that it performed all the relevant work covered by this item of its claim prior to December 1989.

454. The Panel finds that the State Contracting Company for Industrial Projects of the Republic of Iraq is an agency of the State of Iraq. The Panel has considered the documentation such as was put forward in support of this claim. The Panel finds that the contract losses alleged by Samsung relate entirely to work that was performed prior to 2 May 1990.

455. The claim for contract losses under the Baghdad-Abu Ghraib Expressway Project contract is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991). Accordingly, applying the approach taken with respect to the "arising prior to" clause in paragraph 16 of Security Council resolution 687 (1991) set out in paragraphs 21 to 23, the Panel is unable to recommend compensation.

(ii) Unpaid retention monies

456. The project contract entered into for the Baghdad-Abu Ghraib Expressway Project provided for five per cent of the total amount invoiced to be withheld as retention money. Of this amount, half was to be released on practical completion (commencement of the maintenance period) and the other half at the end of the maintenance period. According to Samsung, practical completion occurred on 24 December 1989 and the maintenance period terminated on 7 November 1991 upon the issue of the final acceptance certificate.

457. Samsung claims the first half of the retention money was due to be released on 24 December 1989. This was the retention amount withheld on the 15 per cent United States dollar cash component of the contract value.

458. Samsung also provided a copy of the final account agreement dated December 1990. Samsung did not provide other evidence in support of its claim.

459. Applying the approach taken with respect to losses arising as a result of unpaid retentions set out in paragraphs 92 to 98, the Panel finds that the retention money due on 24 December 1989 is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991). With respect to the retention money due upon the issue of the final acceptance certificate, the Panel finds that Samsung did not demonstrate that the failure to pay the amounts due on 7 November 1991 are the direct result of Iraq's invasion and occupation of Kuwait. Accordingly, the Panel recommends no compensation.

(c) Unpaid contractual amounts: Ancillary Building Project and Concrete Deck Project

460. Samsung seeks compensation in the amount of US$91,901 for overdue progress payments in respect of the Ancillary Building Project and the Concrete Deck Project. Samsung also seeks compensation in the additional amount of US$802,629 for the second half of the retention money on the Ancillary Building Project and the Concrete Deck Project.

461. Samsung provided copies of two agreements, each dated 23 August 1984, amending the main project contract. Under the amending agreements, ten per cent of the total amount invoiced on the Ancillary Building Project and the Concrete Deck Project was to be withheld as retention money, up to a maximum of five per cent of the total contract amount. Of this amount, half was to be released on the issue of the preliminary acceptance certificate and the other half on the issue of the final acceptance certificate.

462. Samsung stated that a provisional acceptance certificate for each of the Ancillary Building Project and the Concrete Deck Project was issued on 30 June 1988. Samsung stated that the issue of a final acceptance certificate for each of the projects was delayed until 4 September 1990 as a result of Iraq's invasion and occupation of Kuwait. Samsung did not provide copies of the preliminary acceptance certificate or the final acceptance certificate.

463. Having considered the evidence provided by Samsung, the Panel finds that the State Contracting Company for Industrial Projects of the Republic of Iraq is an agency of the State of Iraq. That said, it is the case that the contract losses for which Samsung claims are wholly in respect of work that was performed prior to 2 May 1990. Accordingly, applying the approach taken with respect to the "arising prior to" clause in paragraph 16 of Security Council resolution 687 (1991) set out in paragraphs 21 to 23, the

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claims are not compensable. Therefore, the Panel is unable to recommend compensation for the overdue progress payments.

464. The Panel notes that the first half of the retention money was due on 30 June 1988. Any claim in respect of this amount is clearly outside the jurisdiction of the Commission.

465. The second half of the retention money (which is the subject of the evidence referred to in the previous paragraph) fell due on 4 September 1990. However, this debt was the subject of a fresh agreement between the Ministry of Housing and Construction and Samsung on 29 December 1990. It follows that Samsung has bargained its right to the second half of the retention money for such benefits as it obtained under the latter agreement. That latter agreement is the source of any right to any compensation which Samsung might now have. It follows that the claim is not triggered by Iraq's invasion and occupation of Kuwait, but by the failure of the Iraqi authorities to honour the latter agreement. That is a claim which, in the view of the Panel, is not a loss that is a direct result of Iraq's invasion and occupation of Kuwait. Accordingly, the Panel is unable to recommend compensation.

3. Recommendation for contract losses

466. The Panel recommends no compensation.

B. Loss of tangible property

1. Facts and contentions

467. Samsung seeks compensation in the total amount of US$2,238,358 for loss of tangible assets, including construction equipment (US$1,500,000) and spare parts (ID 230,098 * 3.208889 = US$738,358).

2. Analysis and valuation

(a) Construction equipment

468. Samsung asserts that, upon completion of the Baghdad-Abu Ghraib Expressway Project, it was left with 87 items of construction equipment. It sought to sell these. On 19 December 1991, it agreed to sell them to a Jordanian enterprise, namely United Commercial and Construction Enterprise, for US$1,500,000. Under the agreement, Samsung received US$570,000 as an advance payment. However, the sale could not be executed because of the trade embargo, without the approval of the Security Council and, therefore, on 14 February 1992, Samsung wrote to the chairman of the Security Council requesting permission to export the equipment to Jordan. That permission was obtained on 9 March 1992. However, before it could be implemented, the equipment was confiscated by the Ministry of Military Industry of the Republic of Iraq on 20 April 1992.

469. As a result of the confiscation, Samsung had to refund the US$570,000 advance payment to the would-be purchaser.

470. In the view of the Panel on the material put before it, there can be no doubt that the equipment, the subject of the claim belonged to Samsung and was in Iraq. The events which occurred seem to the Panel to show that, unusually, this confiscation is directly and causally connected with Iraq's invasion and occupation of Kuwait. It follows that, in the opinion of the Panel, Samsung's loss of the value of this equipment flowed directly from Iraq's invasion and occupation of Kuwait. The Panel finds that the quantum of this claim was unusually well established by this agreement. Accordingly, the Panel recommends compensation in the amount of US$1,500,000.

(b) Spare parts

471. In support of its claim, Samsung provided voluminous documents entitled "packing lists" covering all the spare parts included in the claim. Samsung also provided documents entitled "receiving protocols" issued by the Military Industrial Commission of the Republic of Iraq certifying the receipt by it of the majority of the spare parts included in the claim. In Samsung's claim, Samsung was not able to provide purchase invoices, as it had taken over the spare parts from the joint venture that had initially been engaged to perform work on the Baghdad-Abu Ghraib Expressway Project.

472. The Panel accepts that Samsung has established the existence of a considerable inventory in Iraq and belonging to it. This conclusion flows both from the documentation that was provided and from the credibility generated by the Samsung approach to other aspects of this claim. The only area where the Panel has any difficulty is in that of quantum. The claimed quantum appears to be extremely high, particularly in the light of the value attributed to the equipment for whose benefit, presumably, the inventory existed. Accordingly, the Panel recommends compensation in the amount of US$190,000.

3. Recommendation for loss of tangible property

473. The Panel recommends compensation in the amount of US$1,690,000.

C. Summary of recommended compensation for Samsung

474. Based on its findings regarding Samsung's claim, the Panel recommends compensation in the amount of US$1,690,000. The Panel finds the date of loss to be 19 December 1991.

XV. CONSTRUCTION COMPANY "PELAGONIJA"

475. Construction Company Pelagonija ("Pelagonija") is a public sector company incorporated in the Republic of Macedonia. At the time of Iraq's invasion of Kuwait, Pelagonija was engaged as a contractor to perform construction works on the following projects in Iraq: Project 946 (Stage 1), Project 946 (Stage 2), Project 85770, Project 85742, Project 85772, Project 85794, Project 85481, Project 85773 and Project 500/4.

476. Pelagonija seeks compensation in the total amount of US$198,915,387 for contract losses, loss of profits, loss of tangible property, monies that were left in bank accounts in Iraq and lost petty cash.

A. Contract losses

1. Facts and contentions

477. Pelagonija seeks compensation in the amount of US$142,610,571 for contract losses allegedly incurred on projects in Iraq.

478. Pelagonija claims the additional amount of US$34,698,262 for interest on unpaid contractual amounts commencing on the due date of each payment under the relevant project contract up to June 30 1993. Pelagonija also claims interest on the total amount of its claim at the rate of six per cent for the period 1 July 1993 to the date of payment. For the reasons stated in paragraph 37, the Panel does not address the issue of compensability of claims for interest.

479. All the relevant project contracts with Iraqi entities were dated between 1980 and 1989. In accordance with the practice prevailing in the former Yugoslavia at this time, the Federal Directorate of Supply and Procurement of the former Yugoslavia ("FDSP") entered into the project contracts with the relevant Iraqi entity. FDSP then entered into arrangements with local contractors in the former Yugoslavia. Under these arrangements, the local contractor undertook the whole responsibility of the contract between FDSP and the Iraqi authority and became entitled to the benefit. Under the arrangements, the local contractor was obliged to sub-let nominated elements of the work.

2. Analysis and valuation

(a) Project 946 (Stage 1)

480. Pelagonija seeks compensation in the amount of US$78,587,970 for contract losses allegedly incurred on Project 946 (Stage 1), including unpaid monthly certificates (US$507,354) and unpaid deferred payments (US$78,080,616).

(i) Unpaid monthly certificates

481. Pelagonija seeks compensation in the amount of US$507,354 for unpaid amounts included in monthly certificate no. 7 (amount claimed US$57,422), no. 15 (amount claimed US$308,357) and no. 27 (amount claimed US$141,575).

482. All three monthly certificates relate to work that was performed in the month of February 1990.

483. The Panel finds that the Auqba Bin Nafi General Establishment is an agency of the State of Iraq. The Panel finds that the contract losses alleged by Pelagonija relate entirely to work that was performed prior to 2 May 1990. The claim for contract losses under the contract for Project 946 (Stage 1) is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991). Accordingly, applying the approach taken with respect to the "arising prior to" clause in paragraph 16 of Security Council resolution 687 (1991) set out in paragraphs 21 to 23, the Panel is unable to recommend compensation.

(ii) Unpaid deferred payments

484. Having determined that the outstanding unpaid work relates entirely to work that was performed prior to 2 May 1990, the Panel finds that the amounts due under the credit arrangement for work performed on Project 946 (Stage 1) are deferred payment agreements. For the reasons set forth in the Panel's analysis of contractual arrangements to defer payments in paragraphs 72 to 91, the claim for unpaid deferred payments under the contract for Project 946 (Stage 1) is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991). Accordingly, the Panel is unable to recommend compensation.

(b) Project 946 (Stage 2)

485. Pelagonija seeks compensation in the amount of US$60,338,678 for contract losses allegedly incurred on Project 946 (Stage 2), including unpaid monthly certificates (US$8,242,944) and unpaid deferred payments (US$52,095,734).

(i) Unpaid monthly certificates

486. Pelagonija seeks compensation in the amount of US$8,242,944 for unpaid amounts included in monthly certificates. The claim is for the 25 per cent Iraqi dinar portion of monthly certificate nos. 1, 17, 18 and 19 (US$2,068,613) and the 30 per cent United States dollar portion of monthly certificate nos. 15 to 19 (US$6,174,331). The certificates cover work performed between July and September 1990 under the main project contract and certain variation orders and addenda.

487. The Panel finds that Pelagonija was entitled to the amounts contained in the monthly certificates the subject of its claim and that the amounts claimed are within its jurisdiction. It recommends that compensation be paid in the full amount claimed for unpaid work included in monthly

certificate nos. 1, 15, 16, 17 and 18. With respect to monthly certificate no. 19, the Panel finds that Pelagonija provided insufficient evidence that all work included in this certificate was accepted by the Iraqi employer. The Panel, therefore, makes an adjustment to the amount claimed for monthly certificate no. 19 to account for this uncertainty.

488. The Panel recommends compensation in the amount of US$8,058,681.

(ii) Unpaid deferred payments

489. The Panel finds that the amounts due under the credit arrangement for work performed on Project 946 (Stage 2) are deferred payment agreements. For the reasons set forth in the Panel's analysis of contractual arrangements to defer payments in paragraphs 72 to 91, the claim for unpaid deferred payments under the contract for Project 946 (Stage 2) is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991). Accordingly, the Panel is unable to recommend compensation.

(c) Projects 85770, 85742, 85772, 85794, 85481, 85773, 500/4

490. In addition to the two stages of Project 946, Pelagonija seeks compensation in the amount of US$3,683,923 for unpaid contractual amounts in respect of other projects. The projects and the amounts claimed are set out in the following table:

Table 5. Pelagonija's claim for unpaid contract amounts on other projects

Project	Amount claimed (US$)
Project 85770	609,676
Project 85742	1,335,007
Project 85772	12,227
Project 85794	900,421
Project 85481	615,066
Project 85773	64,949
Project 500/4	146,577
Total	3,683,923

491. The Panel has carefully considered all the claim documentation filed by Pelagonija in support of the claims in respect of these projects. The documentation indicates that the work in every case was performed prior to 2 May 1990. It is, therefore, work that is not compensable under Security Council resolution 687. Accordingly, applying the approach taken with respect to the "arising prior to" clause in paragraph 16 of Security Council resolution 687 (1991) set out in paragraphs 21 to 23, the Panel is unable to recommend compensation.

3. Recommendation for contract losses

492. The Panel recommends compensation in the amount of US$8,058,681.

B. Loss of tangible property

493. Pelagonija seeks compensation in the amount of US$8,425,911 for loss of tangible property used, or destined for use, on Project 946, (Stages 1 and 2).

1. Project 946 (Stage 1)

494. Pelagonija seeks compensation in the amount of US$728,690 for specially manufactured equipment that was destined for shipment to the Project 946 (Stage 1) site. Pelagonija stated that the equipment was unable to be shipped due to Iraq's invasion and occupation of Kuwait. It further stated that, due to the special characteristics of the equipment, it could not be resold or used for other purposes.

495. However, Pelagonija provided no evidence concerning equipment that could not be shipped to the Project 946 (Stage 1) site. It provided no evidence to demonstrate that the equipment could not be shipped to Iraq or that it incurred any loss in connection with the inability to ship the equipment. Nor did Pelagonija provide evidence of the arrangements for the opening of the letters of credit or the payment of the advance payment, which would indicate when the delivery was scheduled to take place. Pelagonija provided no evidence that the assets could not be resold or used for another purpose.

2. Project 946 (Stage 2)

496. Pelagonija seeks compensation in the amount of US$7,697,221 for loss of tangible property that was used, or destined for use, on Project 946 (Stage 2). The claim is for construction machinery, technical equipment, vehicles and materials that were used on the project site and were left at the site after Pelagonija's workers were evacuated (US$5,269,790), spare parts and inventory that were abandoned at the project site (US$2,198,893) and equipment that was ready for shipment to the project site and could not be used for another purpose (US$228,538).

(a) Construction machinery, technical equipment, vehicles and materials

497. Pelagonija stated that construction machinery, technical equipment, vehicles and materials were left at the Project 946 (Stage 2) after its personnel were evacuated. When Pelagonija returned to the project site in 1993, there was nothing remaining at the site.

498. The Panel finds that materials of this nature would normally be included in monthly certificates issued by a contractor to the employer. Pelagonija provided no evidence that the materials were not included in the monthly certificates issued for the project. Pelagonija provided no

evidence of the cost, age, ownership or book value of the assets included in the summaries.

(b) Spare parts and inventory

499. This claim relates to construction, plumbing and accommodation inventory and spare parts for electrical equipment.

500. The Panel finds that spare parts and inventory would normally be included in monthly certificates issued by a contractor to the employer. Pelagonija provided no evidence that the spare parts and inventory were not included in the monthly certificates issued for the project.

(c) Equipment ready for shipment

501. This claim relates to specially manufactured equipment that was destined for shipment to the Project 946 (Stage 2) project site. The relevant equipment comprised equipment specified in variation order no. 11 dated 19 June 1990, computer and technical equipment and a graphic terminal. Pelagonija stated that the equipment was unable to be shipped due to Iraq's invasion and occupation of Kuwait. It further stated that, due to the special characteristics of the equipment, it could not be resold or used for other purposes.

502. Pelagonija did not provide a copy of variation order no. 11 or any evidence of the costs relating to the equipment. Pelagonija provided no evidence that the equipment could not be resold or used for another purpose.

3. Recommendation for loss of tangible property

503. The Panel finds that Pelagonija did not provide sufficient evidence of its stated losses for Project 946 (Stages 1 and 2). The Panel recommends no compensation for equipment that could not be shipped to the Project 946 (Stage 1) project site and no compensation for tangible property that was used, or destined for use, on Project 946 (Stage 2).

C. Payment or relief to others

1. Facts and contentions

504. Pelagonija seeks compensation in the amount of US$516,500 for payment or relief to others. The claim is for the cost of evacuating 310 of Pelagonija's workers from Iraq to the former Yugoslavia via Jordan by air (US$232,719) and 43 of its workers by road (US$41,113), payment of 310 workers' salaries (US$181,362) and "paid fees of salaries" (US$61,306) during the non-productive period during which the evacuation occurred.

2. Analysis and valuation

505. In support of its claim for the cost of evacuating workers from Iraq to the former Yugoslavia via Jordan by air, Pelagonija provided four

translated invoices for Iraqi dinar amounts stated by Pelagonija to equal US$3,451. Only one of the invoices (for a bus trip to Amman) has a legible date, which reads 21 August 1990.

506. In support of its claim for the cost of evacuating workers from Iraq to the former Yugoslavia by road, Pelagonija provided a list of the workers who were evacuated, together with copies of expense vouchers listing the per diem allowances paid to the workers. Pelagonija also provided evidence of the per diem allowances paid to the drivers of the buses. However, Pelagonija provided very little information in support of the costs claimed.

507. Pelagonija provided no evidence in support of, or further information concerning, its claim for the payment of salaries to workers and "paid fees of salaries".

3. Recommendation for payment or relief to others

508. While one would not expect a very detailed level of documentary substantiation for the costs incurred in moving people out of a theatre of war, nonetheless, Pelagonija submitted incomplete supporting records. However, on the basis of such material as was supplied, the Panel recommends compensation in the amount of US$258,250.

D. "Lost" funds left in Iraqi bank accounts and lost petty cash

509. Pelagonija seeks compensation in respect of the ID 3,927,086 held in bank accounts with the Rafidain Bank, Iraq, and petty cash that was left behind in the cash register at the Project 946 (Stage 2) project site. This money was partly claimed in Iraqi dinars and partly in United States dollars.

510. Applying the approach taken with respect to loss of funds in bank accounts in Iraq set out in paragraphs 142 to 147, the Panel recommends no compensation.

E. Summary of recommended compensation for Pelagonija

511. Based on its findings regarding Pelagonija's claim, the Panel recommends compensation in the amount of US$8,316,931. The Panel finds the date of loss to be 15 August 1990.

XVI. DROMEX ROADS AND BRIDGES CONSTRUCTION EXPORT ENTERPRISE

512. Dromex Roads and Bridges Construction Export Enterprise ("Dromex") is a state-owned enterprise incorporated in Poland. Its principal activity is the construction of roads and bridges. At the time of Iraq's invasion of Kuwait, Dromex was involved in construction and trading activities in Iraq through its representative office in Iraq. Dromex seeks compensation in the amount of US$41,479,821 (modified from the original claim in the amount of US$48,000,707) for contract losses, loss of profits, tangible property losses, payment or relief to others and other losses.

513. In a letter dated 29 September 1998, the Permanent Mission of the Republic of Iraq in Geneva provided the Commission with an account of the events giving rise to several aspects of the claim by Dromex. The Panel notes that the detailed commentary made by the Government of Iraq was helpful to it in its consideration of the claim by Dromex.

A. Contract losses

1. Facts and contentions

514. Dromex seeks compensation in the amount of US$11,480,828 (modified from the original claim in the amount of US$14,344,383) for contract losses for the items and amounts in the following table:

Table 6. Dromex' claim for contract losses

Loss item	Amount claimed (US$)
Loss and frustrated expenses from the suspension of Expressway No. 1 contract	269,032
Unpaid amounts due for section R/9 of Expressway No. 1	8,754,359
Loss and expenses incurred relating to the purchase of electric lighting poles	20,926
Unpaid amounts due under a contract with the Ministry of Housing	78,533
Unpaid amounts due under a contract with the State Establishment for Food Stuff Trading	1,570,818
Frustrated expenses incurred in preparing a tender	787,160
Total	11,480,828

515. Dromex also seeks compensation for interest on unpaid contractual amounts. For the reasons stated in paragraph 37, the Panel does not address the issue of compensability of claims for interest.

2. Analysis and valuation

(a) Loss and frustrated expenses arising out of suspension of Expressway No. 1 contract

516. Dromex seeks compensation in the amount of US$269,032 (Polish Zloty 3,405,816,353) for expenses incurred in maintaining performance bank guarantees for a project contract for the construction, execution, completion and maintenance of works on sections R7A and R7B of Expressway No. 1 in Iraq. Applying the approach taken with respect to guarantees, bonds and like securities set out in paragraphs 99 to 108, the Panel recommends no compensation.

(b) Unpaid amounts due for section R/9 of Expressway No. 1

517. Dromex seeks compensation in the amount of US$8,754,359 (ID 2,727,135) for unpaid amounts due under a sub-contract for execution of works on section R/9 of Expressway No. 1. The claim is for fuel price increase (ID 2,543,630) and extra transportation for bitumen and oil (ID 183,505).

518. Dromex carried out the work which gives rise to this claim as the nominated sub-contractor of a Japanese contractor, namely Marubeni Corporation. The sub-contract was made on or about 15 September 1987. The Iraqi employer on the project was the State Corporation for Roads and Bridges.

519. According to Dromex, by some date in 1989, its work was completed, although the guarantee period was not yet in operation. Dromex contends that it sought to claim first from the Iraqi employer and second from Marubeni Corporation, but that both refused to meet those claims.

520. This claim is notably lacking in evidence which would enable the Panel to address it in detail. However, at least part of the claim relates to costs incurred prior to 2 May 1990 and is, therefore, outside the jurisdiction of the Commission. In addition, the claim filed by Marubeni Corporation with the Commission seeks reimbursement for substantial sums paid to Dromex to meet Dromex's increased costs on this project. Given both the above points and the poor quality generally of the evidence put forward by Dromex, the Panel is unable to recommend compensation for this claim.

(c) Loss and expenses incurred relating to the purchase of electric lighting poles

521. Dromex seeks compensation in the amount of US$20,926 (FRF 78,805 and Polish Zloty 67,025,135) in relation to electric lighting poles. The claim is for the cost of electric lighting poles as well as transportation and customs duties paid in respect of the electric lighting poles. The poles were purchased in June 1990 for section R/9 of Expressway No. 1 project. Dromex stated that the electric lighting poles were dispatched to Iraq, but were stopped in transit and returned to Poland. Dromex further stated that

the electric lighting poles remain in storage in Poland. According to Dromex, due to the special characteristics of the poles, they are not able to be resold or used for other purposes.

522. The Panel finds that Dromex did not provide sufficient evidence of its stated losses. Dromex did not provide any evidence that would demonstrate that the poles were not able to be resold or used for other purposes. The Panel recommends no compensation.

(d) Unpaid amounts due under contract with Ministry of Housing

523. Dromex seeks compensation in the amount of US$78,533 (ID 48,930) (modified from it original claim in the amount of US$157,065) for outstanding contract payments under a contract with the Ministry of Housing of the Republic of Iraq.

524. On 18 July 1989, Dromex entered into a contract with the Ministry of Housing for the "sale of an existing railway line", plant, accessories and equipment and training of Iraqi personnel. (The Panel is doubtful that the description of the contract objects in English is an accurate one).

525. The Panel finds that the Ministry of Housing of the Republic of Iraq is an agency of the State of Iraq. The supporting documentation provided by Dromex indicates that the performance that created the debts in question occurred between January and April 1990. The Panel finds that the contract losses alleged by Dromex relate entirely to work that was performed prior to 2 May 1990.

526. The claim for contract losses under the contract with the Ministry of Housing is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991). Accordingly, applying the approach taken with respect to the "arising prior to" clause in paragraph 16 of Security Council resolution 687 (1991) set out in paragraphs 21 to 23, the Panel is unable to recommend compensation.

(e) Unpaid amounts due under contract with State Establishment for Food Stuff Trading

527. Dromex seeks compensation in the amount of US$1,570,818 for unpaid amounts due under a contract for the supply of goods entered into with the State Establishment for Food Stuff Trading of the Republic of Iraq. The claim is for unpaid amounts in respect of goods that were delivered to the State Establishment for Food Stuff Trading and goods that were produced, but could not be shipped or otherwise sold.

528. The Panel finds that the loss claimed is compensable and is satisfied on the evidence presented that Dromex suffered the loss in question. It recommends compensation in the amount of US$1,570,818.

(f) Frustrated expenses incurred in preparing tender

529. Dromex seeks compensation in the amount of US$787,160 for expenses incurred in the preparation of a tender that could not be submitted, allegedly due to Iraq's invasion of Kuwait. Dromex stated that it entered into a consortium agreement with three companies from Brazil, Japan and Korea to submit a tender offer for the Um Qasr and Western Loop Railway Line Project. The tender closing date was 31 December 1990. The costs are said to have been incurred between May and November 1990.

530. Dromex asserted that the consortium had a "far better than average chance to be awarded the contract...". This statement was not supported by any evidence. Dromex did not provide any evidence that would establish that Dromex incurred the alleged expenditure. Dromex did not explain why the tender could not be submitted.

531. However, and in any event, in the view of the Panel, tendering and the cost thereof is a contractor's risk. That situation is not altered by assertions as to the likely outcome of the tendering process, however optimistic. It follows that there can be no direct causal link between Iraq's invasion and occupation of Kuwait and the expenditure incurred by Dromex. Indeed, the absence of a causal link is highlighted by the fact that some of the costs at least were incurred by Dromex, presumably voluntarily, after the commencement of hostilities. Accordingly, the Panel recommends no compensation.

3. Recommendation for contract losses

532. The Panel recommends compensation in the amount of US$1,570,818.

B. Loss of profits

533. Dromex seeks compensation in the amount of US$7,785,144 (ID 2,424,278) for loss of profits in respect of the contract for the construction of section 6 of Expressway No. 1 and the Ramadi Bridge. Dromex stated that it was intended to become the nominated sub-contractor to a Japanese contractor appointed to perform construction works on the project. Dromex alleged that the Project did not go ahead and it was not awarded the sub-contract as a result of Iraq's invasion and occupation of Kuwait. Dromex seeks compensation for loss of the profits which it expected to make under the project contract had the project gone ahead.

534. Applying the approach taken with respect to loss of profits for future projects set out in paragraphs 139 to 141, the Panel recommends no compensation.

C. Loss of tangible property

1. Facts and contentions

535. Dromex seeks compensation in the amount of US$17,899,770 for loss of tangible property.

2. Analysis and valuation

536. Dromex seeks compensation in the amount of US$17,676,221 for loss of vehicles, equipment and machinery that were allegedly confiscated from the Ramadi project site by the Iraqi authorities between May and September 1992.

537. Dromex seeks compensation in the total amount of US$160,352 (ID 49,954) for loss of food supplies and fire-fighting equipment. Dromex stated that the food supplies were either confiscated by Iraqi officers between January and August 1991 to supply the needs of the local population or spoiled through being incorrectly kept. Dromex stated that the fire-fighting equipment had to be discarded in September 1991 after it passed pre-determined "useful life" dates.

538. Dromex seeks compensation in the amount of US$44,907 for fuel that was allegedly taken by the Iraqi officers from stocks maintained at the Ramadi camp. Dromex stated that the theft of the fuel took place between February and April 1991.

539. Dromex seeks compensation in the amount of US$18,290 (ID 5,698) for loss of property and furnishings that were allegedly stolen from the Ramadi camp and Dromex's Baghdad office. The items included a photocopier, a dishwasher and a freezer. Dromex provided no other information with respect to its claim for this item.

3. Recommendation for loss of tangible property

540. Applying the approach taken with respect to the confiscation of tangible property by the Iraqi authorities after the liberation of Kuwait set out in paragraph 154, the Panel recommends no compensation for confiscation of equipment at Ramadi.

541. The Panel finds that Dromex did not provide sufficient evidence in support of the remaining claimed amounts. In respect of the claim for loss of property and furnishings that were allegedly stolen from the Ramadi camp, the Panel has difficulty in comprehending how a loss could have occurred, given the protection of the Ramadi camp referred to in paragraph 565, *infra*. The Panel recommends no compensation.

D. Payment or relief to others

1. Facts and contentions

542. Dromex seeks compensation in the total amount of US$1,278,298 for payment or relief to others. In its claim submission, Dromex described the losses claimed as "abandonment of activities".

2. Analysis and valuation

(a) Evacuation expenses

543. Dromex seeks compensation in the amount of US$138,982 (Polish Zloty 1,474,565,627, ID 7,486 and US$4,502) for expenses incurred in evacuating its personnel and their families from Iraq. The items included in the claim for evacuation expenses are the "increased costs" of evacuating its personnel from Iraq (US$117,722) and expenses incurred in relation to 35 employees who returned to Iraq between May and November 1991 to attend to Dromex's affairs (US$21,260).

(i) Evacuation of 174 employees and their families from Iraq

544. Dromex stated that the transportation costs incurred in evacuating its employees and their families were higher than normal transportation costs because of the necessity to use special routes, thereby avoiding potential safety risks, and because of the closure of some airports. Dromex's claim is for the increased costs incurred in excess of the transportation costs that it would have incurred under normal circumstances.

545. Dromex stated that 174 employees and their families were evacuated from Iraq in three groups.

546. Dromex stated that normal expenditure for the repatriation of its employees from Iraq to Warsaw would have been US$220 per person. Therefore, the total repatriation cost for 174 people would have amounted to US$38,280. Dromex deducted this amount from the total amount spent on evacuation (US$156,002). Therefore, Dromex claims US$117,722 for increased expenses incurred on evacuating its personnel from Iraq.

547. In addition to the receipts provided by Dromex in support of its claim, Dromex provided passenger lists for 113 people evacuated prior to January 1991 and 36 people who travelled from Istanbul to Warsaw on 18 January 1991. However, despite the request in the Questions to the Claimant, Dromex did not provide the names and details of all its employees evacuated or copies of its employees' passports showing Iraqi exit visas.

548. The Panel is satisfied that Dromex incurred a loss in evacuating its employees and their families from Iraq. However, the Panel recommends a reduced amount of compensation to reflect the documentation missing from the claim. The Panel recommends compensation in the amount of US$65,000.

(ii) 35 employees who returned to Iraq

549. Dromex stated that it incurred airfare, accommodation, transportation and visa expenses in relation to 35 employees who returned to Iraq after the cessation of hostilities to attend to Dromex's affairs. Dromex stated that three of its personnel arrived in Iraq on 19 May 1991, an additional 23 personnel arrived on 2 August 1991 and the remaining nine personnel arrived on 25 November 1991. Dromex provided a breakdown of the total

amount claimed (US$21,260), stating the original currencies of the loss as Polish Zloty 214,693,800, ID 828 and US$700.

550. The Panel finds that Dromex did not provide sufficient documentation in support of its claim or establish a direct link between its stated loss and Iraq's invasion and occupation of Kuwait. Accordingly, the Panel recommends no compensation.

(b) Maintenance of personnel

551. Dromex seeks compensation in the amount of US$1,059,737 for expenses incurred in maintaining its personnel in Iraq from 1 August 1990 to 15 January 1991 (168 days) and 21 May 1991 to 2 May 1992 (345 days).

552. Dromex stated that it incurred actual losses in the amount of US$1,659,737 (ID 517,052). However, it received partial compensation in the amount of US$600,000 from a Japanese contractor and reduced the amount of its claim accordingly.

553. The Panel finds that Dromex did not provide sufficient evidence of its stated losses. The Panel further finds that Dromex failed to establish the causal link between its stated losses and Iraq's invasion and occupation of Kuwait. Accordingly, the Panel recommends no compensation.

(c) Wages paid to Iraqi personnel/legal fees

554. Dromex seeks compensation in the amount of US$79,579 (ID 24,791) for wages paid to Iraqi personnel from 15 January to 31 July 1991 and for legal fees. The amount claimed for wages paid is ID 21,541. The amount claimed for legal fees is ID 3,250, which represents a monthly retainer for 6.5 months at ID 500 per month.

555. Dromex stated that from 15 January to 31 July 1991 it was forced to pay its Iraqi personnel despite the suspension of Dromex's activities in Iraq. Dromex stated that the Iraqi personnel were supervising and guarding Dromex's activities. Dromex stated that these employees were involved in two activities. One was maintenance work on section R/9 of Expressway No. 1. This work was being done in the maintenance period for this section. The other activity was the re-export of Dromex's property to Jordan.

556. Dromex stated that the legal fees were paid to Iraqi legal counsel, who provided advice on the contents and effect of new legislation in Iraq and the regulatory measures of Iraqi authorities.

557. The Panel finds that Dromex did not provide sufficient evidence of its stated losses. The Panel further finds that Dromex failed to establish the causal link between its stated losses and Iraq's invasion and occupation of Kuwait. Accordingly, the Panel recommends no compensation.

3. Recommendation for payment or relief to others

558. The Panel recommends US$65,000 for payment or relief to others.

E. Other losses

559. Dromex seeks compensation in the amount of US$926,900 for "other losses".

1. Analysis and valuation

(a) War risk insurance for employees

560. Dromex seeks compensation in the amount of US$307 (Polish Zloty 2,915,900) for the cost of additional war risk insurance purchased for its employees. Dromex stated that it purchased additional war risk insurance for the year 1991 for those employees who had not been repatriated from Iraq to Poland.

561. The Panel finds that Dromex did not provide sufficient evidence of its stated losses. The Panel further finds that Dromex failed to establish the causal link between its stated losses and Iraq's invasion and occupation of Kuwait. Accordingly, the Panel recommends no compensation.

(b) Employment of additional personnel

562. Dromex seeks compensation in the amount of US$29,949 (ID 9,330) for the cost of employing additional personnel to complete section R/9 of Expressway No. 1. Dromex stated that it was unable to send its own personnel to Iraq to complete the works as the situation at the project site was too dangerous.

563. Dromex did not demonstrate that the costs incurred in the employment of the ten Bulgarian workers exceeded the normal costs that were necessary for it to fulfil its obligations under the sub-contract for performance of works on section R/9 of Expressway No. 1.

564. The Panel finds that Dromex did not provide sufficient evidence of its stated losses. The Panel further finds that Dromex failed to establish the causal link between its stated losses and Iraq's invasion and occupation of Kuwait. Accordingly, the Panel recommends no compensation.

(c) Protection of camp at Ramadi

565. Dromex seeks compensation in the amount of US$176,276 (ID 54,744) for expenses incurred in engaging an Iraqi security firm to protect the Ramadi campsite between 15 January and 31 August 1991 and additional fire and theft insurance. The amount claimed for the protection of the camp is ID 49,744. The amount claimed for the additional fire and theft insurance is ID 5,000.

566. Dromex did not provide any evidence that it paid the claimed amount to the Iraqi security firm.

567. The Panel finds that Dromex did not provide sufficient evidence of its stated losses. The Panel further finds that Dromex failed to establish

the causal link between its stated losses and Iraq's invasion and occupation of Kuwait. In addition, there is no sufficient basis on which the Panel can work out the quantum of the claim. Accordingly, the Panel recommends no compensation.

(d) Costs incurred during suspension period

568. Dromex seeks compensation in the amount of US$166,946 (ID 17,483 and US$110,824) for costs incurred during the period in which its activities in Iraq were suspended (15 January to 1 August 1991). The costs relate to renewal of the lease for Dromex's Baghdad office (ID 5,417), renewal of the Ramadi campsite lease (ID 8,342), an equipment lease (US$14,898), extension of a lease for a rest-house building (ID 1,125), extension of a pumping station and pipeline land lease (ID 2,600) and loss of the value of tyres (US$25,871) and storage batteries (US$70,055).

569. The Panel finds that Dromex did not provide sufficient evidence of its stated losses. The Panel further finds that Dromex failed to establish the causal link between its stated losses and Iraq's invasion and occupation of Kuwait. To the extent that Dromex entered into lease agreements relating to property in Iraq after 2 August 1990, this was a voluntary decision on the part of Dromex which negates the causal connection between its losses claimed and Iraq's invasion and occupation of Kuwait. Accordingly, the Panel recommends no compensation.

(e) Costs incurred after confiscation of assets by Iraqi authorities

570. Dromex seeks compensation in the amount of US$510,864 (ID 159,148) for costs incurred after the confiscation of its assets by the Iraqi authorities between May and September 1991. The claim includes salaries, travel expenses, spare parts, maintenance and rental of houses and foodstuffs. The claim appears to cover the period from May 1991 to December 1992.

571. Applying the approach taken with respect to the confiscation of tangible property by the Iraqi authorities after the liberation of Kuwait set out in paragraph 154, the Panel recommends no compensation.

(f) Customs penalties

572. Dromex seeks compensation in the amount of US$42,558 (ID 13,258) for additional penalties paid to the Iraqi custom authorities. The items claimed for include late submission of customs declaration for prolongation (ID 2,299), delay of car insurance (ID 239), new licence plate for cars (ID 220) and delay in submitting Dromex's 1990 accounts to the Diwan (ID 10,500).

573. The Panel finds that Dromex failed to establish the causal link between its stated losses and Iraq's invasion and occupation of Kuwait. Accordingly, the Panel recommends no compensation.

(g) Depreciation of bank deposits

574. Dromex withdrew its claim for this item on or about 1 December 1998.

2. Recommendation for other losses

575. The Panel recommends no compensation.

F. Summary of recommended compensation for Dromex

576. Based on its findings regarding Dromex' claim, the Panel recommends compensation in the amount of US$1,635,818. The Panel finds the date of loss to be 25 October 1990.

XVII. CHINA NONFERROUS METAL INDUSTRIES CORPORATION

577. China Nonferrous Metal Industries Foreign Engineering and Construction Corporation ("China Nonferrous") is a Chinese state-owned corporation involved in nonferrous metal projects abroad. It seeks compensation in the total amount of US$42,308,482 for contract losses, loss of profits, loss of tangible property, payment and relief to its employees and loss of cash and bank deposits. The alleged losses arose out of two 132kv underground cable projects in Iraq (Project No. HT-91/84 and Project No. HT-30/85; together the "cable projects") and a military camp project in Kuwait (the "Military Camp Project").

A. Contract losses in Iraq

1. Facts and contentions

578. China Nonferrous seeks compensation in the amount of US$29,124,617 for contract losses allegedly incurred on the cable projects in Iraq. China Nonferrous was a sub-contractor to the China State Construction Engineering Corporation (the "Chinese main contractor") on the cable projects.

2. Analysis and valuation

(a) Unpaid contractual amounts

(i) Project No. HT-91/84

579. China Nonferrous seeks compensation in the amount of US$13,234,236 (ID 4,124,242) for unpaid contractual amounts in respect of Project No. HT-91/84. The main project contract between the Ministry of Industry and Minerals of the Republic of Iraq, State Organization of Electricity, and the Chinese main contractor was dated 8 September 1985. The sub-contract between China Nonferrous and the Chinese main contractor was dated 13 September 1985. The period for completion of the works under the sub-contract was 24 months.

580. The takeover certificate was issued on 4 February 1988 and the final acceptance certificate was issued on 21 March 1989. China Nonferrous claims for unpaid work performed between 4 June 1986 and 18 July 1989.

581. The Panel finds that the Ministry of Industry and Minerals of the Republic of Iraq, State Organization of Electricity, is an agency of the State of Iraq. The Panel finds that the contract losses alleged by China Nonferrous relate entirely to work that was performed prior to 2 May 1990. The claim for contract losses under the contract for Project No. HT-91/84 is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991). Accordingly, applying the approach taken with respect to the "arising prior to" clause in paragraph 16 of Security Council resolution 687 (1991) set out in paragraphs 21 to 23, the Panel is unable to recommend compensation.

(ii) Project No. HT-30/85

582. China Nonferrous seeks compensation in the amount of US$11,238,875 (ID 3,502,420) for unpaid contractual amounts in respect of Project No. HT-30/85. The main project contract between the Ministry of Industry of the Republic of Iraq, Major Electrical Projects Implementation, and the Chinese main contractor was dated 20 March 1989. The sub-contract between China Nonferrous and the Chinese main contractor was dated 18 May 1989. The period for completion of the project was 28 months from the date of opening the bank guarantee for the advance payment.

583. China Nonferrous stated that work under the sub-contract commenced in May 1990 and was ongoing at the time of Iraq's invasion of Kuwait. China Nonferrous estimated that the project was 48.21 per cent completed as at 2 August 1990.

584. China Nonferrous claims for unpaid work performed up to 2 August 1990. China Nonferrous calculated the claimed amount by taking the value of the allegedly completed contract works (ID 4,572,012), being 48.21 per cent of the total value of the sub-contract, and deducting ID 1,069,592, being the total amount paid to China Nonferrous.

585. The Panel, after careful consideration of the evidence provided, finds that China Nonferrous had completed work with a value of ID 2,898,538 up to 2 August 1990 and that applications for payment in respect of this work had been certified by the Iraqi employer. The Panel, therefore, recommends compensation in the amount of ID 2,898,538.

(b) Interest on deferred payments

586. China Nonferrous seeks compensation in the amount of US$3,514,000 for unpaid interest from 30 December 1986 to 30 December 1992 on deferred payments in respect of Project No. HT-91/84. China Nonferrous also seeks compensation in the amount of US$1,137,506 for unpaid interest from 30 December 1990 to 30 December 1992 on deferred payments in respect of Project No. HT-91/84.

587. For the reasons set out in the Panel's analysis of contractual arrangements to defer payments in paragraphs 21 to 23 and 72 to 91, the Panel recommends no compensation.

3. Recommendation for contract losses in Iraq

588. The Panel recommends compensation in the amount of US$9,301,087 (ID 2,898,538).

B. Contract losses in Kuwait

589. China Nonferrous seeks compensation in the amount of US$2,315,689 for contract losses allegedly incurred on the Military Camp Project in Kuwait.

590. China Nonferrous was a sub-contractor to Khalifa Daij El-Dabbous Brothers and Partners, a company incorporated in Kuwait (the "Kuwaiti main contractor"), on the Military Camp Project. The project entailed the construction and maintenance of the new National Guards Camp at Mishraf in Kuwait. Under the terms of the sub-contract, China Nonferrous agreed to execute all of the works under the main project contract. The value of the sub-contract was KD 4,875,600.

591. China Nonferrous gave some information in respect of the work on the Military Camp Project. However, the Panel finds that China Nonferrous did not provide sufficient evidence of its stated loss. Moreover, China Nonferrous did not explain the direct link between its inability to recover the costs incurred in respect of additional works on the Project and Iraq's invasion and occupation of Kuwait. China Nonferrous provided no evidence that the Kuwaiti employer was rendered insolvent as a consequence of the invasion and occupation. Accordingly, the Panel finds that China Nonferrous failed to establish the causal link between its stated losses and Iraq's invasion and occupation of Kuwait. The Panel recommends no compensation.

C. Loss of profits

592. China Nonferrous seeks compensation in the amount of US$4,249,555 for loss of profits in respect of Project No. HT-30/85 in Iraq (US$4,168,286) and the Military Camp Project in Kuwait (US$81,255).

593. China Nonferrous stated that its loss of profits was caused by the termination of the relevant project as a consequence of Iraq's invasion and occupation of Kuwait, which rendered it impossible for it to perform the remaining works. However, the Panel finds that China Nonferrous did not fulfil the evidentiary standard for loss of profits claims as set out in paragraphs 133 to 138. It failed to provide evidence to support the proposition that it would have made a profit at all or, indeed, that it ever made a profit in its work. In the circumstances, the Panel is unable to recommend compensation.

594. The Panel recommends no compensation.

D. Loss of tangible property

1. Facts and contentions

595. China Nonferrous seeks compensation in the amount of US$4,741,405 for loss of tangible property.

2. Analysis and valuation

(a) Project No. HT-30/85 in Iraq

596. China Nonferrous seeks compensation in the amount of US$3,386,117 for loss of tangible property from the Project No. HT-30/85 site. The claim is for materials, including steel bars, cables and tyres, (US$3,008,464 = US$2,799,408 + ID 71,382) and equipment (US$377,652 = ID 117,689). China Nonferrous stated that the materials were requisitioned by the Iraqi authorities and taken away from the project site.

597. Applying the approach taken with respect to the confiscation of tangible property by the Iraqi authorities after the liberation of Kuwait set out in paragraph 154, the Panel recommends no compensation.

(b) Military Camp Project in Kuwait

598. China Nonferrous seeks compensation in the amount of US$1,355,288 for loss of tangible property from the Military Camp Project site in Kuwait. The claim is for materials in storage (US$894,078 = KD 255,451) and plant and equipment (US$461,210 = KD 131,774). China Nonferrous stated that the materials, plant and equipment were "taken away" following destruction of the project site.

599. The Panel has considered the evidence of ownership, cost and situation in Kuwait of the tangible assets provided by China Nonferrous in support of its stated loss. The Panel, after making an adjustment to the claimed amount to take account of consumables and possible write-offs, recommends compensation in the amount of KD 118,500.

3. Recommendation for loss of tangible property

600. The Panel recommends no compensation for tangible property in Iraq and US$410,035 (KD 118,500) for property located in Kuwait.

E. Payment or relief to others

1. Facts and contentions

601. China Nonferrous seeks compensation in the amount of US$384,402 for payment and relief provided to its employees.

2. Analysis and valuation

(a) Project No. HT-30/85

602. China Nonferrous seeks compensation in the amount of US$204,179 for the cost of evacuating 133 of its employees from the Project No. HT-30/85 site in Iraq. The claim is for the cost of airfares, accommodation, payments made to evacuees and "medical checks". The employees were evacuated from Iraq via Amman to Beijing on two flights. China Nonferrous

evacuated 40 employees on the first flight on 15 September 1990 and 93 employees on the second flight on 16 November 1990.

603. In support of its claim, China Nonferrous provided evidence in support of some but not all of the claimed items. However, the Panel recognises the importance of companies accepting responsibility for assisting their staff out of a theatre of war and, on the basis of such material as was supplied, the Panel has been able to arrive at the following recommendations for compensation:

(i) hotel expenses in Amman for 40 employees: JD 4,370;

(ii) airfares, medical checks and hotel costs for the remaining employees: JD 9,500, RMB 8,800, and US$64,000.

(b) Military Camp Project

604. China Nonferrous seeks compensation in the amount of US$180,223 for the cost of evacuating 133 of its employees from the Military Camp Project site in Kuwait. The claim is for the cost of airfares, accommodation and "medical checks". China Nonferrous stated that the 133 employees arrived in Jordan on 19 August 1990. The employees were said to have flown from Amman to Beijing on flights provided by Air China.

605. In support of its claim, China Nonferrous provided sufficient evidence to support portions of the stated losses. On this basis, the Panel is able to recommend compensation in the amounts of RMB 2,500 and US$88,000.

3. Recommendation for payment or relief to others

606. The Panel recommends compensation in the amount of US$175,536 (JD 13,870, RMB 11,300 and US$152,000).

F. Other financial losses

607. China Nonferrous seeks compensation in the amount of US$1,492,866 (ID 465,228) for financial losses in Iraq allegedly incurred in connection with Project No. HT-30/85. The claim is for loss of funds deposited in a bank account with the Rafidain Bank, Iraq.

608. Applying the approach taken with respect to loss of funds in bank accounts in Iraq set out in paragraphs 142 to 147, the Panel recommends no compensation.

G. Summary of recommended compensation for China Nonferrous

609. Based on its findings regarding China Nonferrous' claim, the Panel recommends compensation in the amount of US$9,886,658. So far as relevant, the Panel finds the date of loss to be 15 October 1990.

XVIII. NASSIR HAZZA AL-SUBAEI & BROTHERS CO., LTD.

610. Nassir Hazza Al-Subaei & Brothers Co., Ltd ("Nassir Hazza"), a Saudi Arabian corporation, is a general contractor that also trades in heavy equipment, appliances and spare parts for construction projects. Nassir Hazza was working on four different projects in Saudi Arabia at the time of Iraq's invasion of Kuwait.

611. Nassir Hazza seeks compensation in the total amount of US$11,699,415 (SAR 43,814,311) for contract losses and interest in connection with the Mina Abu Kamis Project, the Rush Housing Project at Dammam, the Abu Hidrieah Road Project and the Houses Ownership Project in Northern Dhahran and costs allegedly incurred in the preparation of its claim submission.

A. Contract losses

1. Facts and contentions

612. Nassir Hazza seeks compensation in the amount of SAR 43,445,060 for contract losses allegedly incurred in connection with the Mina Abu Kamis Project, the Rush Housing Project, the Abu Hidrieah Road Project and the Houses Ownership Project. Nassir Hazza also seeks compensation for interest on unpaid contractual amounts. For the reasons stated in paragraph 37, the Panel does not address the issue of compensability of claims for interest.

2. Analysis and valuation

(a) Mina Abu Kamis Project

613. Nassir Hazza seeks compensation in the amount of SAR 23,188,098 for contract losses in connection with the Mina Abu Kamis Project. On 22 April 1989, Nassir Hazza and the Ports Authority of the Kingdom of Saudi Arabia entered into a project contract for the construction of a Frontier Corps Berth and Associated Facilities at Ras Abu Khamis. The commencement date of the project was 29 September 1989. Nassir Hazza stated that, as a result of Iraq's invasion of Kuwait, work on the project was discontinued. It further stated that the cessation of work on the project caused it to suffer losses during the period from 2 August 1990 to 2 March 1991.

614. The items and amounts included in Nassir Hazza's claim are set out in the following table:

Table 7. Nassir Hazza's contract losses on the Mina Abu Kamis Project

Loss item	Amount claimed (SAR)
Salary payments and food costs	1,140,612
Repatriation costs	97,974
Transport costs	92,000
Maintenance costs of plant and equipment	1,242,500
Cost increases in the completion of marine works	10,188,713
Cost increase in the cost of electrical boards	527,522
Cost increase in electricity generation	3,682,608
Loss of profits	4,183,155
Overtime payments	234,593
Bank commissions	3,222,258
Total	24,611,935

615. Due to an arithmetical error in the claim, the total of the items included in the above table does not equal the total amount claimed for contract losses in connection with the Mina Abu Kamis Project.

616. The Panel finds that Nassir Hazza did not provide sufficient evidence of its stated losses. In addition, with respect to Nassir Hazza's claims for cost increases in the completion of marine works, cost increase in electricity generation and overtime payments, the Panel finds that Nassir Hazza failed to establish the causal connection between its stated losses and Iraq's invasion and occupation of Kuwait. With respect to Nassir Hazza's claim for loss of profits, the Panel finds that Nassir Hazza failed to submit sufficient evidence as set forth in paragraphs 133 to 138. Accordingly, the Panel recommends no compensation.

(b) Rush Housing Project

617. Nassir Hazza seeks compensation in the amount of SAR 5,254,486 for contract losses in connection with the Rush Housing Project. On 13 March 1989, Nassir Hazza and the Ministry of Public Works and Housing of the Kingdom of Saudi Arabia entered into a project contract for the provision of services relating to road construction works, water drainage and irrigation in connection with the Rush Housing Project. The commencement date of the project was 15 May 1989.

618. The items and amounts included in Nassir Hazza's claim are set out in the following table:

Table 8. Nassir Hazza's contract losses on the Rush Housing Project

Loss item	Amount claimed (SAR)
Salary payments and food costs	1,022,364
Unproductive rental payments	448,000
Increase in cost of materials	2,715,573
Damage to project site	600,000
Maintenance costs of plant and equipment	1,242,500
Total	6,028,437

619. Due to an arithmetical error in the claim, the total of the items included in the above table does not equal the total amount claimed for contract losses in connection with the Rush Housing Project.

620. The Panel finds that Nassir Hazza did not provide sufficient evidence of its stated losses. In addition, with respect to Nassir Hazza's claims for unproductive rental payments, increase in the cost of materials and the maintenance costs of plant and equipment, the Panel finds that Nassir Hazza failed to establish the causal link between its stated losses and Iraq's invasion and occupation of Kuwait. Accordingly, the Panel recommends no compensation.

(c) Abu Hidrieah Road Project

621. Nassir Hazza seeks compensation in the amount of SAR 4,160,082 for contract losses in connection with the Abu Hidrieah Road Project. On 25 August 1990, Nassir Hazza and the Ministry of Communications of the Kingdom of Saudi Arabia entered into a project contract for the execution of the remaining works on the Abu Hidrieah Road Project and repairs and removals relating to the contract, which had previously been withdrawn from another contractor. The commencement date of the project was 8 September 1990. Nassir Hazza stated that work on the project officially stopped in accordance with the instructions of the Ministry of Communications in a letter dated 19 January 1991. However, Nassir Hazza indicated that work may have stopped even earlier than this date.

622. The items and amounts included in Nassir Hazza's claim are set out in the following table:

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Table 9. Nassir Hazza's contract losses on the Abu Hidrieah Road Project

Loss item	Amount claimed (SAR)
Salary payments and food costs	905,100
Unproductive rental payments	1,067,000
Increase in cost of materials	1,020,500
Damage to project site	780,000
Total	3,772,600

623. Due to an arithmetical error in the claim, the total of the items included in the above table does not equal the total amount claimed for contract losses in connection with the Abu Hidrieah Road Project.

624. The Panel finds that Nassir Hazza did not provide sufficient evidence of its stated losses. In addition, with respect to Nassir Hazza's claims for unproductive rental payments and increase in the cost of materials, the Panel finds that Nassir Hazza failed to establish the causal link between its stated losses and Iraq's invasion and occupation of Kuwait. Accordingly, the Panel recommends no compensation.

(d) Houses Ownership Project

625. Nassir Hazza seeks compensation in the amount of SAR 10,842,394 for contract losses in connection with the Houses Ownership Project. On 14 November 1989, Nassir Hazza and the Saudi Arabian Oil Company entered into a project contract for work on the Houses Ownership Project. Nassir Hazza commenced work on 18 May 1991 and the contract was completed on 14 March 1992. Nassir Hazza stated that it was forced to stop work on the project after missiles began to fall close to the project site, thereby endangering the lives of labourers on the project. It did not state the date of the cessation of the work.

626. The items and amounts included in Nassir Hazza's claim are set out in the following table:

Table 10. Nassir Hazza's contract losses on the Houses Ownership Project

Loss item	Amount claimed (SAR)
Salary payments and food costs	1,914,242
Maintenance of equipment	945,000
Increase in cost of materials	4,855,611
Increased equipment and sub-contractor costs	1,650,674
Total	9,365,527

627. Due to an arithmetical error in the claim, the total of the items included in the above table does not equal the total amount claimed for contract losses in connection with the Houses Ownership Project.

628. The Panel finds that Nassir Hazza did not provide sufficient evidence of its stated losses. In addition, with respect to Nassir Hazza's claims for the maintenance of equipment, increase in the cost of materials and increased equipment and sub-contractor costs, the Panel finds that Nassir Hazza failed to establish the causal link between its stated losses and Iraq's invasion and occupation of Kuwait. Accordingly, the Panel recommends no compensation.

3. Recommendation for contract losses

629. The Panel recommends no compensation.

B. Summary of recommended compensation for Nassir Hazza

630. Based on its findings regarding Nassir Hazza's claim, the Panel recommends no compensation.

XIX. DODSAL PTE. LTD.

631. Dodsal Pte. Ltd ("Dodsal"), a Singaporean corporation, operates as a contractor on, and supplies manpower and equipment to, construction projects. Dodsal seeks compensation in the total amount of US$22,646,081 (US$17,373,569 and DM 8,235,663) for contract losses, loss of tangible property, and an unpaid refund of income tax. Dodsal allegedly suffered the losses when it was engaged as a contractor or a sub-contractor on construction projects in Iraq. The relevant projects were the Saddam Oil Field Development Project, the Anfal Gas Field Development Project and the Baiji Project.

A. Contract losses

1. Facts and contentions

632. Dodsal seeks compensation for contract losses allegedly incurred in connection with the Saddam Oil Field Development Project (DM 6,146,018) and the Anfal Gas Field Development Project (US$180,691).

633. In addition, Dodsal seeks compensation for interest on the unpaid contractual amounts. For the reasons stated in paragraph 37, the Panel does not address the issue of compensability of claims for interest.

2. Analysis and valuation

(a) The Saddam Oil Field Development Project

634. Dodsal was engaged by Mannesmann Anlagenbau AG, Germany, as a sub-contractor on the Saddam Oil Field Development Project. The employer on the project was the North Oil Company, Iraq.

(i) Unpaid invoices

635. Dodsal seeks compensation in the amount of DM 5,089,781 in respect of four invoices that it alleges have not been paid by Mannesmann Anlagenbau AG, Germany. The relevant invoices were numbered 13/DM to 16/M and dated between 12 July and 28 November 1990. The invoices totalled the claimed amount of DM 5,089,781.

636. Dodsal provided a copy of a sub-contract dated 10 March 1989 entered into between Dodsal and Mannesmann Anlagenbau AG. The sub-contract states that work was to be completed by 15 June 1990. The completion dates for the project were amended by a Memorandum of Understanding executed by the parties on 10 July 1990 so as to enable substantial mechanical completion in the first week of November 1990 and the first delivery of oil to be made on 1 December 1990. Dodsal stated that the Saddam Oil Field Development Project could not be completed on time due to Iraq's invasion and occupation of Kuwait.

637. The Panel finds the value of invoice nos. 13/DM to 16/DM (excluding amounts withheld for retention) to be DM 4,071,825. Deducting the

unrecovered amount of DM 998,548 from this amount, the Panel arrives at a recommended figure of DM 3,073,277 for unpaid invoices.

638. The Panel recommends compensation in the amount of DM 3,073,277.

(ii) Unpaid retention monies

639. Dodsal seeks compensation in the amount of DM 1,056,237 for unpaid retention money. The sub-contract provided for retention money to be withheld by Mannesmann Anlagenbau AG at the rate of five per cent of the sub-contract price. It also provided for the retention money to be released to Dodsal within 45 days from the issue of the taking over certificate.

640. For the purposes of its claim, Dodsal calculated retention monies at the sub-contract rate of five per cent. It seems likely that the deduction of ten per cent of the sub-contract price in the invoices covers some item other than contractual retention, deducted at the rate of five per cent.

641. The amount deducted from invoice no. 16/DM for retention monies at the rate of ten per cent was DM 2,621,452. Based on the total price for the sub-contract of DM 36,200,000, the Panel finds that approximately 72 per cent of the project work was completed at the time invoice no. 16/DM was issued.

642. The Panel is satisfied that Dodsal was entitled to the retention monies withheld and that those monies were due to be released to Dodsal subsequent to 2 May 1990. The Panel recommends compensation in the amount of DM 1,056,237.

(b) The Anfal Gas Field Development Project

643. Dodsal seeks compensation in the amount of US$180,691 for contract losses allegedly incurred in connection with the Anfal Gas Field Development Project. Dodsal was the main contractor on the project. The project contract was entered into between Dodsal and the North Oil Company on 4 January 1990. The contract completion date stated in the project contract was 4 June 1990. Dodsal asserted that the contract completion date was subsequently extended to August 1990.

(i) Unpaid invoices

644. Dodsal seeks compensation in the amount of US$134,031 for unpaid contract amounts allegedly due from the North Oil Company. Dodsal's claim relates to invoice nos. ATGP-06 and ATGP-07 in the amounts of US$61,910 and US$72,121, respectively.

645. The Panel finds that all the relevant work was performed after 2 May 1990 and is, therefore, within its jurisdiction. The Panel is satisfied on the evidence provided that Dodsal incurred the stated loss and recommends compensation in the amount of US$134,031.

(ii) Unpaid retention monies

646. Dodsal seeks compensation in the amount of US$46,660 for unpaid retention money. The documents provided by Dodsal, including the project contract, do not indicate the percentage of the total contract value to be withheld as retention monies or the contract dates upon which the retention monies were to be released by the Iraqi employer.

647. In support of its claim, Dodsal relies on a letter dated 14 June 1995 from the North Oil Company addressed to Dodsal. The letter confirms that the claimed amount of US$46,660 for retention monies was outstanding to Dodsal and had not been paid

648. The Panel is satisfied that Dodsal was entitled to the retention monies withheld and that those monies were due to be released to Dodsal subsequent to 2 May 1990. The Panel recommends compensation in the amount of US$46,660.

3. Recommendation for contract losses

649. The Panel recommends compensation in the amount of US$2,824,426 (DM 4,129,514 and US$180,691) for contract losses.

B. Loss of tangible property

650. Dodsal seeks compensation in the amount of US$16,611,443 for loss of caravans and equipment. Dodsal alleged that the caravans and equipment were confiscated by the Iraqi authorities after they could not be removed from the project sites due to Iraq's invasion and occupation of Kuwait.

651. Applying the approach taken with respect to the confiscation of tangible property by the Iraqi authorities after the liberation of Kuwait set out in paragraph 154, the Panel recommends no compensation.

C. Unpaid income tax refund

652. Dodsal seeks compensation in the amount of US$520,000 (ID 162,500 @ ID 1 = US$3.20) for income tax that was allegedly wrongly assessed by the Iraqi authorities and not subsequently refunded to Dodsal. In 1986, the Revenue Department of Iraq allegedly assessed Dodsal with ID 300,000 in income for the 1986 financial year in respect of revenue earned on the Baiji Project. Of the total amount assessed, Dodsal paid ID 162,500.

653. Dodsal stated that it subsequently appealed the decision of the Revenue Department. On 18 November 1990, the General Committee for Taxes operating under the auspices of the Ministry of Finance of the Republic of Iraq cancelled the 1986 assessment order and agreed to repay the "excess paid".

654. In support of its claim, Dodsal provided a copy of the order of the General Committee for Taxes dated 18 November 1990.

655. The Panel finds that Dodsal failed to explain the causal connection between its alleged loss and Iraq's invasion and occupation of Kuwait. Accordingly, the Panel recommends no compensation.

D. Summary of recommended compensation for Dodsal

656. Based on its findings regarding Dodsal's claim, the Panel recommends compensation in the amount of US$2,824,426. The Panel finds the date of loss to be 2 August 1990.

XX. IMP INZENIRING, MONTAZA, PROIZVODNJA D.D.

657. IMP Inzeniring, Montaza, Proizvodnja d.d ("IMP"), a Slovenian corporation, is engaged in providing civil engineering contracting services to main contractors. IMP seeks compensation in the amount of US$62,541,905 for contract losses, loss of tangible property, storage costs and other losses in connection with spare parts, costs incurred in evacuating its personnel from Iraq and other financial costs allegedly incurred in connection with projects in Iraq.

658. At the time of Iraq's invasion of Kuwait, IMP was performing works as a sub-contractor on projects P-946, P-202D, P-B8 and P-B9 in Iraq. It employed approximately 200 workers on the project sites. All projects included in IMP's claim were of a military nature "concluded under the patronage and consent of the former Socialist Federal Republic of Yugoslavia".

659. IMP stated that no work was performed on the projects after 2 August 1990, "except for attempts to obtain various documents and rectification of deficiencies during the guarantee period".

A. Contract losses

660. IMP seeks compensation in the amount of US$48,470,926 for contract losses.

661. All the relevant project contracts with Iraqi entities were dated between 1979 and 1989. At this time, the Federal Directorate of Supply and Procurement of the former Yugoslavia ("FDSP") entered into the project contracts with the relevant Iraqi entity. FDSP then entered into arrangements with local contractors in the former Yugoslavia. Under these arrangements, the local contractor undertook the whole responsibility of the contract between FDSP and the Iraqi authority and became entitled to the benefit. Under the arrangements, the local contractor was obliged to sub-let nominated elements of the work.

1. Unpaid contract amounts

662. IMP seeks compensation in the amount of US$10,834,480 for unpaid contract amounts on several projects in Iraq.

(a) Contracts under which IMP was a sub-contractor to FDSP

663. IMP seeks compensation in the amount of US$4,786,988 for contract losses allegedly incurred on contracts under which it acted as a sub-contractor to FDSP. The relevant projects and amounts claimed are set out in the following table.

Table 11. IMP's unpaid amounts as FDSP sub-contractor

Project	Amount claimed (US$)
Project 201	1,030,437
Project 500	(223,560)
Project 202D3	1,161,953
Project KOL-7	1,803,084
Projects A and B	194,279
Project KOL-6	40,554
Project KOL-3	690,445
Project 700	89,796
Total	4,786,988

664. The Panel has carefully considered all the documentation filed by IMP in support of the claims in respect of these projects. The documentation makes clear that the work in every case was performed prior to 2 May 1990. It is, therefore, work that is not compensable under Security Council resolution 687. Accordingly, applying the approach taken with respect to the "arising prior to" clause in paragraph 16 of Security Council resolution 687 (1991) set out in paragraphs 21 to 23, the Panel is unable to recommend compensation.

(b) Contracts under which IMP was a sub-contractor to Pelagonija

665. IMP seeks compensation in the amount of US$1,374,550 for contract losses allegedly incurred on contracts under which it acted as a sub-contractor to Pelagonija, Macedonia. The relevant projects and amounts claimed are set out in the following table.

Table 12. IMP's unpaid amounts as Pelagonija sub-contractor

Project	Amount claimed (US$)
Services Workshops Projects (Projects 85742, 85000, 85770, 85772, 85773)	1,002,289
Project 946/Stage 1	372,261
Total	1,374,550

666. IMP makes a claim in respect of these projects. However, IMP stated that, subsequent to filing its claim with the Commission, it entered into a protocol with Pelagonija in relation to the amounts outstanding under the above projects. IMP provided a protocol dated 8 October 1994 between itself and Pelagonija, and a further protocol dated 14 October 1994 between itself, Pelagonija and three other sub-contractors. The protocols grant

Pelagonija authority to file a claim on behalf of the other sub-contractors on the projects, including IMP.

667. Pelagonija has filed a comprehensive claim for the same projects, which includes amounts claimed by IMP. The Panel has already considered the claim by Pelagonija and formed the view that Pelagonija's claim for unpaid contract amounts in respect of the Services Workshops Projects and Project 946 (Stage 1) related to work entirely performed prior to 2 May 1990 and was, therefore outside the jurisdiction of the Commission. Accordingly, applying the approach taken with respect to the "arising prior to" clause in paragraph 16 of Security Council resolution 687 (1991) set out in paragraphs 21 to 23, the Panel is unable to recommend compensation.

(c) Contracts under which IMP was a sub-contractor to Industrogradnja

668. IMP seeks compensation in the amount of US$3,393,433 for contract losses allegedly incurred on contracts under which it acted as a sub-contractor to Industrogradnja, Croatia. The relevant projects and amounts claimed are set out in the following table.

Table 13. IMP's unpaid amounts as Industrogradnja sub-contractor

Project	Amount claimed (US$)
Project 195	2,150,453
Project 196	1,242,980
Total	3,393,433

669. The Panel has carefully considered all the documentation filed by IMP in support of the claims in respect of these projects. The documentation makes clear that the work in every case was performed prior to 2 May 1990. It is, therefore, work that is not compensable under Security Council resolution 687. Accordingly, applying the approach taken with respect to the "arising prior to" clause in paragraph 16 of Security Council resolution 687 (1991) set out in paragraphs 21 to 23, the Panel is unable to recommend compensation.

(d) Contracts with other contractors

670. IMP seeks compensation in the amount of US$1,279,509 for contract losses allegedly incurred on contracts under which it acted as a sub-contractor to other main contractors. The relevant projects and amounts claimed are set out in the following table.

Table 14. IMP's unpaid amounts as sub-contractor to other contractors

Project	Amount claimed (US$)
Project 77 (DUT Belgrade)	71,637
Project 202C (Energoprojekt, Belgrade)	23,084
Project KOL-7 (Bratstvo, Pucarevo)	120,618
Project 776 H (Ingra, Zagreb)	61,963
Project 202 B4 (Gradis, Llubljana)	453,282
Project 202 B4 (Jelovica, Llubljana)	445,323
Project 946/Stage 2 (Pelagonija, Skopje)	103,602
Total	1,279,509

671. For all of the relevant contracts, IMP only provided a spreadsheet setting out a description of the relevant contract, contract value, latest statement of account, payments received up to 30 June 1992 and the total amount claimed. IMP did not provide copies of the relevant contracts or other related documentation.

672. The Panel finds that IMP did not provide sufficient evidence of its stated losses. Accordingly, the Panel recommends no compensation.

2. Interest on deferred payments

673. IMP seeks compensation in the amount of US$8,307,310 for unpaid interest on overdue deferred payments that were payable pursuant to interstate deferred payment arrangements between the former Yugoslavia and Iraq. Interest is claimed from 1983 to 30 September 1993.

674. The claim relates to deferred payment arrangements entered into for contracts in respect of which IMP was a sub-contractor for FDSP, Pelagonija, Industrogradnja and other contractors. The following table sets out a breakdown of the claimed amounts.

Table 15. IMP's claim for interest on deferred payments

Project	Amount claimed (US$)
Projects where FDSP was the main contractor	4,041,461
Projects where Pelagonija was the main contractor	953,835
Projects where Industrogradnja was the main contractor	3,272,532
Other projects	39,482
Total	8,307,310

675. Having determined that the outstanding unpaid work relates entirely to work that was performed prior to 2 May 1990 or, in the case of the "other projects" could not be recommended for compensation by reason of the lack of evidence provided by IMP, the Panel finds that the amounts due under the credit arrangements for work performed on the above projects are deferred payment agreements. For the reasons set forth in the Panel's analysis of contractual arrangements to defer payments in paragraphs 72 to 91, the claim for interest on deferred payments is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991). Accordingly, the Panel is unable to recommend compensation.

3. Unpaid credit facilities

676. IMP seeks compensation in the amount of US$29,329,136 for "unrepaid credit facilities". The claim is for unpaid principal and accrued interest under three project contracts under which IMP agreed to perform work on a credit basis (i.e. payment under those contracts was to take place on deferred payment terms). The relevant projects and amounts claimed in respect of each project are set out in the following table.

Table 16. IMP's claim for unpaid credit facilities

Project	Amount claimed (US$)
Project 202 D (FDSP)	733,469
Project 700 (FDSP)	3,962,595
Project 946/Stage 1 (Pelagonija)	24,633,072
Total	29,329,136

677. Having determined that the outstanding unpaid work relates entirely to work that was performed prior to 2 May 1990, the Panel finds that the amounts due under the credit arrangement for work performed on Project 946 (Stage 1) are deferred payment agreements. For the reasons set forth in

the Panel's analysis of the "arising prior to" clause in paragraph 16 of Security Council resolution 687 (1991) in paragraphs 21 to 23 and in the Panel's analysis of contractual arrangements to defer payments in paragraphs 72 to 91, the claim for "unrepaid credit facilities" is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991). Accordingly, the Panel is unable to recommend compensation.

4. Recommendation for contract losses

678. The Panel recommends no compensation.

B. Business transaction and course of dealing

679. IMP seeks compensation in the amount of US$581,150 for "business transaction and course of dealing". The claim is for the net purchase value of spare parts (US$553,587) which could not be delivered after two project contracts in Iraq were terminated as a result of Iraq's invasion and occupation of Kuwait as well as warehouse charges for the storage of the spare parts (US$27,563).

1. Purchase value of spare parts

680. IMP claims the net purchase value of spare parts supplied for Project A (US$207,157) and Project 946 (US$346,429).

(a) Project A

681. The spare parts for Project A were to be supplied by IMP under the Project A contract, Annex 6 dated 24 May 1988 entered into between IMP and FDSP. The preamble of Annex 6 describes the spare parts as "spare parts for two year maintenance of the existing mechanical and electrical installations on Projects A and B in Iraq". The list of spare parts forming part of the offer for the supply of spare parts made by FDSP to the Ministry of Culture and Information of the Republic of Iraq dated 8 September 1987 was not enclosed with IMP's claim submission.

682. IMP asserted that the spare parts to be supplied for Project A were for the maintenance of special-purpose equipment and could not be sold or reused for any other purpose.

(b) Project 946

683. The spare parts for Project 946 were to be supplied by IMP under the Project 946 contract, Annex 3 dated 24 March 1990 between FDSP and Auqba Bin General Establishment. The preamble of Annex 3 describes the spare parts as, "spare parts dedicated for the installation equipment at Project 946 ..., materials and spare office furniture ...". Appendix No. 1B to Annex 3 lists the spare parts for mechanical equipment. IMP did not provide Appendix No. 1A (specification of the spare parts for electrical equipment) and No. 2 (specification of materials and spare office furniture). The delivery period specified in the offer for the supply of

spare parts made by FDSP to Auqba Bin General Establishment was six months from the date of opening the letter of credit, which occurred on 8 May 1990.

684. The Panel finds that IMP did not provide sufficient evidence in support of its claim. The evidence provided indicates that some of the spare parts were purchased after 2 August 1990. In respect of those spare parts, the Panel finds that IMP failed to establish a direct link between its stated losses and Iraq's invasion and occupation of Kuwait. IMP offered no explanation as to why the spare parts could not be sold or reused. Accordingly, the Panel recommends no compensation.

2. Storage charges

685. IMP claims warehouse charges for the storage of the spare parts which could not be delivered to Project A (storage in Austria from 1 September 1990 to 30 September 1993: US$13,717) and for Project 946 (storage in Slovenia from 1 July 1990 to 30 September 1993: US$13,846).

686. The Panel finds that IMP did not provide sufficient evidence in support of its claim. Further, IMP provided no evidence that it has paid the amounts in question. The Panel recommends no compensation.

3. Recommendation for business transaction and course of dealing

687. The Panel recommends no compensation.

C. Loss of tangible property

688. IMP seeks compensation in the amount of US$9,856,452 for the loss of prefabricated site facilities, equipment, material and spare parts that were allegedly left at the Abu Ghraib project site. IMP stated that, on 16 April 1992, the Iraqi authorities confiscated all of its property that was located at the Abu Ghraib project site.

689. Applying the approach taken with respect to the confiscation of tangible property by the Iraqi authorities after the liberation of Kuwait set out in paragraph 154, and by reason of the lack of evidence provided in support of the claim, the Panel recommends no compensation.

D. Payment or relief to others

1. Facts and contentions

690. IMP seeks compensation in the amount of US$1,072,629 for payment and relief to others. The claim includes the cost of evacuating 211 employees from Iraq to Ljublijana (US$141,392), compensation to the 211 employees (US$924,953) and the cost of evacuating 12 employees of IMP's sub-contractor, Iskra Kumanovo from Iraq to Skopje, Macedonia (US$6,284; original currency of loss: 70,251 Yugoslav dinars).

2. Analysis and valuation

(a) Cost of evacuating 211 employees from Iraq to Ljublijana

691. IMP stated that its employees were evacuated from Iraq in several groups between 12 August and November 1990. The amount claimed was calculated at US$670.10 per person. The claim includes border and airport taxes, war risk insurance premiums and bus and airfare costs.

692. While one would not expect a very detailed level of documentary substantiation for the costs incurred in moving people out of a theatre of war, nonetheless, IMP submitted incomplete supporting records. However, on the basis of such material as was supplied, the Panel recommends the sum of US$450 per person for 192 persons evacuated from Iraq. The Panel finds that the repatriation to Yugoslavia of 19 personnel prior to 2 August 1990 could not have been causally connected to Iraq's invasion and occupation of Kuwait.

693. The Panel recommends compensation in the amount of US$86,400.

(b) Compensation paid to 211 evacuated employees

694. This claim is for salary costs and the cost of providing food and accommodation to IMP's workers who were evacuated from Iraq. The compensation was allegedly made to the employees for their "delayed stay in Iraq and the costs incurred due to waiting for work in Slovenia". IMP calculated the salary component of its claim as two months' salary for each employee (using the average salary for July 1990, which it asserted to be US$2,192).

695. The Panel found that the evidentiary material and explanations provided by IMP were, in many cases, difficult to follow. The Panel, therefore, recommends compensation based on the payroll summary provided by IMP using IMP's average two month employee salary. The Panel recommends compensation in the amount of US$336,314.

(c) Cost of evacuating 12 employees of IMP's Macedonian sub-contractor

696. IMP seeks compensation for the costs incurred by it in evacuating 12 employees of its Macedonian sub-contractor, Iskra Kumanovo, from Iraq to Skopje, Macedonia, via Amman. IMP stated that it provided this assistance to 12 employees of Iskra Kumanovo upon the request of the latter. In November 1990, after the return of Iskra Kumanovo's workers, IMP invoiced Iskra Kumanovo for the amounts incurred. However, IMP stated that the amounts invoiced were not paid by Iskra Kumanovo.

697. The Panel is satisfied on the evidence provided that IMP incurred the stated loss and recommends compensation in the amount of US$6,284.

3. Recommendation for payment or relief to others

698. The Panel recommends compensation in the amount of US$428,998.

E. "Other losses"

699. IMP seeks compensation in the amount of US$2,558,558 for other losses, including the "cost of protection of interests and property" (US$335,073), loss of earnings due to the termination of contracts for the supply of spare parts (US$453,898), costs relating to financing the purchase of spare parts (US$204,933), foreign exchange guarantees (US$814,654) and overdue instalments of deferred payment agreements sold at discount (US$750,000).

700. The claim for the "cost of protection of interests and property" is a claim for the costs allegedly incurred by IMP in paying salaries and other expenses of three employees responsible for the protection of the property and interests of IMP in Iraq. Included in the claim is a claim for hired Egyptian labour, rentals and other costs incurred in Iraq, however, it failed to provide details of the amounts claimed or evidence in support of these items. IMP stated that the costs were incurred during the period August 1990 to January 1993.

701. The Panel finds that the salary and travelling costs of one employee who remained in Iraq during Iraq's occupation of Kuwait in order to protect IMP's interests were a direct result of Iraq's invasion and occupation of Kuwait. However, the Panel limits its finding with respect to this employee to the period of Iraq's occupation of Kuwait (2 August 1990 to 2 March 1991).

702. In respect of the remaining period from 2 March 1991 to January 1993 for the relevant employee and in respect of the remaining two employees, the Panel finds that IMP failed to establish a causal connection between the amounts claimed and Iraq's invasion and occupation of Kuwait and to demonstrate how the costs incurred exceeded those that would have been incurred in any event in the absence of Iraq's invasion and occupation of Kuwait. Accordingly, the Panel recommends compensation in the amount of US$16,000.

703. IMP also claims for (a) loss of profits and "costs of gathering offers and cancelling orders" for the contracts for the supply of spare parts to Project 946/Stage 1 (US$358,564) and Project A (US$95,334); (b) interest on monies that IMP allegedly borrowed to finance the purchase of spare parts for Project 946/Stage 1 and Project A; and (c) "lost" good performance bonds for Project B8/9 (US$175,948) and Project A (US$590,367) as well as the costs of the bank guarantees (US$48,339).

704. Applying the approach taken with respect to guarantees, bonds and like securities set out in paragraphs 99 to 108 and the approach taken with respect to loss of profits on a particular project set out in paragraphs 133 to 138, the Panel recommends no compensation for these losses.

705. IMP stated that upon the proposal of FDSP and pursuant to a decree issued by the Government of the Former Yugoslavia, the Yugoslav Bank for International Economic Cooperation (the JUMBES Bank) partially purchased some of the overdue payments under the Iraqi project contracts at a 30 per

cent discount, thus resulting in a loss for IMP. IMP alleged that, but for Iraq's invasion and occupation of Kuwait, the full amount of the funds (US$750,000) would have been paid to IMP. IMP's alleged losses were incurred in its capacity as a sub-contractor to FDSP and Industrogradnja.

706. The documentation provided by IMP makes clear that the work to which the deferred payment agreements related was performed prior to 2 May 1990. The amounts claimed are, therefore, not compensable under Security Council resolution 687. Accordingly, applying the approach taken with respect to the "arising prior to" clause in paragraph 16 of Security Council resolution 687 (1991) set out in paragraphs 21 to 23, the Panel is unable to recommend compensation.

707. The Panel recommends compensation in the amount of US$16,000.

F. Summary of recommended compensation for IMP

708. Based on its findings regarding IMP's claim, the Panel recommends compensation in the amount of US$444,998. The Panel finds the date of loss to be 1 October 1990.

XXI. STFA ELTA ELEKTRIK TESISLERI A.S.

709. STFA ELTA ELEKTRIK TESISLERI A.S. ("STFA ELTA "), a Turkish corporation, specialises in the construction of medium voltage and high voltage overhead lines, hydroelectric and thermal power plants, transformer substations and electrical and instrumentation systems of industrial plant. At the time of Iraq's invasion of Kuwait, STFA ELTA was performing work on the turnkey projects in Iraq set out in the following table:

Table 17. STFA ELTA's claim

Project name	Nature of project	Description in report
Project No. SS-5	132kv 2 Line Bays Extension of Habbaniye, Yousufiya and Old Nassiriya Substations	"Project A"
Project No. SS-8/Ext.	132kv 2 Cable Bays Extension of Najibiya Powerstation and Bab-al-Zubair Substation	"Project B"
Project No. SG.SS-9.1	Extension of Zakho Substation	"Project C"
Project No. SS-12	132kv Substations	"Project D"
Project No. SS-12/A	33kv and 11kv MV cables and accessories	"Project E"

710. STFA ELTA seeks compensation in the total amount of US$14,782,121 for contract losses, loss of profits, loss of tangible property and bank guarantee commissions.

A. Contract losses

1. Facts and contentions

711. STFA ELTA seeks compensation in the amount of US$5,304,898 for contract losses.

712. STFA ELTA also seeks compensation in the amount of US$2,668,556 for interest on the unpaid promissory notes and US$1,579,943 for interest allegedly paid on foreign currency loans from 2 August 1990 until 17 October 1996.

713. For the reasons stated in paragraph 37, the Panel does not address the issue of compensability of claims for interest.

2. Analysis and valuation

(a) Unpaid promissory notes

714. STFA ELTA seeks compensation in the amount of US$5,128,582 for unpaid promissory notes issued in respect of Projects A, B and C as well as three other projects in Iraq.

715. STFA ELTA stated that, for Project A, eight notes totalling US$2,575,300 were issued, for Project B, six notes totalling US$990,565 were issued, for Project C, seven notes totalling US$1,372,987 were issued, and for the remaining three projects, three notes totalling US$189,730 were issued. The issue dates of the promissory notes range from 16 June 1987 to 6 August 1990. All promissory notes were due for payment two years after their respective dates of issue.

716. The Panel, after examining the evidence provided by STFA ELTA, finds that the vast majority of the promissory notes the subject of STFA ELTA's claim relate to work that was entirely performed prior to 2 May 1990. These promissory notes are outside the jurisdiction of the Commission and are not compensable under Security Council resolution 687 (1991). Accordingly, applying the approach taken with respect to the "arising prior to" clause in paragraph 16 of Security Council resolution 687 (1991) set out in paragraphs 21 to 23, the Panel is unable to recommend compensation for these promissory notes. Only promissory note no. 24 issued in respect of Project B on 6 August 1990, with a value of US$234,545 was issued in respect of work performed subsequent to 2 May 1990. The Panel recommends compensation in the amount of US$234,545 in respect of promissory note no. 24.

(b) Unpaid retention money

717. STFA ELTA seeks compensation in the amount of US$176,316 for retention money allegedly withheld by the Iraqi employer on Projects A and B. Under the contracts for Projects A and B, ten per cent of the monthly progress payments (denominated in Iraqi dinars and foreign currency) were withheld as retention money. The payment terms applicable to the contracts state that the foreign currency component of the retention money was to be paid to STFA ELTA upon the issue of the taking over certificate for the projects. The payment terms further state that half of the Iraqi dinar component of the retention money was to be paid to STFA ELTA upon the issue of the taking over certificate and the other half upon the issue of the final acceptance certificate for the projects.

718. STFA ELTA stated that the work on Project A was completed on 5 May 1990 and the work on Project B on 7 June 1990. STFA ELTA did not provide copies of the taking over certificate or the final acceptance certificate for the projects, which would constitute a formal recognition by the Iraqi employer that STFA ELTA was entitled to payment of the retention money under the project contracts. Nonetheless, there is sufficient information before the Panel to enable it to determine that STFA ELTA had carried out work on the two projects and that sums had been retained from the full

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remuneration for that work. In those circumstances, and applying the approach taken with respect to losses arising as a result of unpaid retentions set out in paragraphs 92 to 98, the Panel is able to conclude that STFA ELTA has an entitlement now to receive the retained sums. The Panel recommends compensation in the amount of US$176,316.

3. Recommendation for contract losses

719. The Panel recommends compensation in the amount of US$410,861.

B. Loss of profits

720. STFA ELTA seeks compensation in the amount of US$4,674,707 for loss of profits on Projects D and E. STFA ELTA calculated its loss of profits as 10 per cent of the contract value for Projects D and E. STFA ELTA stated that the contracts for Projects D and E could not be executed as a result of Iraq's invasion and occupation of Kuwait, and that it was thereby deprived of its anticipated profits on those projects.

721. The Panel finds that STFA ELTA failed to fulfil the evidentiary standard for loss of profits claims as set out in paragraphs 133 to 138. Accordingly, the Panel recommends no compensation.

C. Loss of tangible property

722. STFA ELTA seeks compensation in the amount of US$200,214 for loss of tangible assets that it allegedly abandoned in Iraq after Iraq's invasion and occupation of Kuwait.

723. In support of its claim, STFA ELTA provided a balance sheet dated 31 July 1990 for its branch in Iraq. The balance sheet, which was certified by the Iraqi authorities on 24 September 1990, lists fixed assets with a total value of ID 62,394. STFA ELTA also provided copies of schedules of fixed assets listing individual items, together with their quantity and value in Iraqi dinars. The total of the individual items listed corresponds with the value of fixed assets stated on the balance sheet.

724. Despite a specific request from the secretariat to provide evidence of proof of ownership and cost of the tangible property, STFA ELTA failed to provide such proof.

725. Although the balance sheet provided by STFA ELTA indicates that the assets were in Iraq as at 2 August 1990, the Panel finds that STFA ELTA did not provide sufficient evidence of its ownership of, or the cost of, the assets. Accordingly, the Panel recommends no compensation.

D. Bank guarantee commissions

726. STFA ELTA seeks compensation in the amount of US$353,803 for commissions paid to banks from 30 September 1990 to 17 October 1996 in respect of four bank guarantees. The bank guarantees were issued in favour of Iraqi employers on Projects A, B and D. STFA ELTA stated that, despite

repeated requests to Turkish Banks to release the guarantees, they could not be released, as the Iraqi banks insisted on their extension.

727. The nature of STFA ELTA's claim for this item is not identifiable from STFA ELTA's claim submission. STFA ELTA did not explain how it calculated the claimed amount. In addition, STFA ELTA did not explain the causal link between its stated loss and Iraq's invasion and occupation of Kuwait.

728. Applying the approach taken with respect to guarantees, bonds and like securities set out in paragraphs 99 to 108, the Panel recommends no compensation.

E. Summary of recommended compensation for STFA ELTA

729. Based on its findings regarding STFA ELTA's claim, the Panel recommends compensation in the amount of US$410,861. The Panel finds the date of loss to be 2 August 1990.

XXII. ABB LUMMUS CREST INC.

730. ABB Lummus Crest Inc. ("ABB Lummus"), a United States corporation, entered into a joint venture with Thyssen Rheinstahl Technik GmbH ("Thyssen"), a German corporation, in 1976 (the "joint venture"). ABB Lummus, on behalf of the joint venture, seeks compensation in the amount of US$28,600,308 (modified from the original claim in the amount of US$30,886,852) for contract losses, loss of tangible property, "project shutdown expenses" and expropriated intangible property in connection with work undertaken. Documents submitted with the claim indicate that both Thyssen and the German Government gave their consent to ABB Lummus filing the claim on behalf of the joint venture.

731. The Project on which the joint venture was engaged was the design, construction, commissioning and start-up of a large petrochemicals production facility located near Basrah, Iraq (the "PC-1 Project"). As will be seen, the history of this project is lengthy. Various agreements were reached between the joint venture and successive ministries in Iraq (collectively referred to as the "Ministry").

732. It is helpful to begin with a chronology of the PC-1 Project. The first event was a contract between the Ministry and the joint venture dated 24 February 1976 (the "1976 Agreement"). The joint venture stated that work under the 1976 Agreement went forward until September 1980, when hostilities between Iraq and Iran commenced. All personnel were evacuated and the project was shut down as a consequence.

733. Subsequently, between 1983 and 1987 a restart agreement was negotiated between the joint venture and the Ministry (the "Restart Agreement").

734. Under the Restart Agreement, the joint venture's work was scheduled to be completed by 31 March 1991. All costs incurred and services performed outside Iraq, and 80 per cent of expatriate job site personnel costs, were payable in United States dollars.

735. Work continued under the Restart Agreement until 2 August 1990, when the Ministry ordered the shut-down of the PC-1 Project. Shutdown was completed in September 1990.

736. During the life of the Restart Agreement, three events occurred which ought to be noted.

737. Firstly, in mid-1989, the parties agreed on the rescheduling of the payment terms of the United States dollar element of the Restart Agreement. The new arrangement involved a barter of PC-1 Project products for the United States dollar value of the services and materials provided by the joint venture.

738. Secondly, during the latter part of 1989, negotiations went forward on a two year agreement whereby the Ministry would guarantee substantial shipments of resins from the PC-1 Project to a representative of the joint

venture. The object was to provide products which could be sold with the aim of the net proceeds accruing to the joint venture. The aim of the two year agreement was to give purpose to the barter agreement.

739. The two year agreement (the "Product Off-Take Agreement") was entered into on 9 January 1990. However, just before this occurred, the Ministry informed the joint venture that all United States dollar proceeds collected by the joint venture's designated representative, (an affiliate of Thyssen), from the sale of the PC-1 Project products had to be deposited in an Iraqi bank account to comply with Iraqi foreign currency controls. Shortly after the Product Off-Take Agreement was executed, minutes of a meeting dated 11 January 1990 were signed by both parties recording both parties' obligations and the joint venture's exclusive interest in the proceeds.

740. Shipment of polymer resins under the Product Off-Take Agreement commenced in March 1990. These shipments continued until 2 August 1990 when the Ministry ordered a shut down of the PC-1 Project.

741. Finally, during the early part of 1990, negotiations went forward on a supplemental agreement designed to detail the method of disbursing to the joint venture the United States dollar proceeds from the Product Off-Take Agreement. Under the proposed supplemental agreement, the joint venture was to retain control over the proceeds from the product sales by the joint venture's representative through the use of a secure escrow account.

742. This proposal was specifically approved on 21 July 1990 by Hussein Kamal Hassan, Iraq's then Minister of Industry and Minerals. An informal agreement was executed on 22 July 1990 evidenced by the signing of minutes by the parties (the "22 July 1990 Agreement"). It was planned to open the secure escrow account shortly after the execution of the agreement and, for this purpose, a senior official from the Ministry planned to travel to Düsseldorf. However, this trip was cancelled as a result of Iraq's invasion and occupation of Kuwait.

743. As part of the 22 July 1990 Agreement, the Ministry agreed to pay the amount of US$19,910,000 to the joint venture. The agreed amount was based on invoices for services and materials that the joint venture had presented to the Ministry and the State Establishment for Petrochemical Industries, which were identified by invoice number and amount in the joint venture's June and July Field Financial Reports.

A. Contract losses

744. The joint venture seeks compensation in the total amount of US$20,803,630 (modified from the original claim in the amount of US$22,798,863) for contract losses. The total amount claimed comprises US$18,085,312 for product off-take proceeds out of a total of US$19,910,000 agreed upon by both parties in the 22 July 1990 Agreement and US$2,773,318 for services and materials provided by the joint venture to the PC-1 Project under the Restart Agreement which had not been invoiced in time to be included in the 22 July 1990 Agreement. In its revised claim

submission, the joint venture reported an arithmetical error of US$55,000 appearing in its original claim submission, however, it failed to make allowance for this error in the revised amount claimed.

745. The joint venture stated that as a direct result of the invasion and the related shutdown of PC-1 on 2 August 1990, and the subsequent mothballing of the PC-1 Project, the Ministry and the State Establishment for Petrochemical Industries breached their contracts with the joint venture. The joint venture further stated that, the Ministry's action in stopping the flow of United States dollars to the PC-1 Project was a breach of the Restart Agreement.

746. The Panel notes that the claims now raised by the joint venture are somewhat less than those originally filed. This is because the joint venture has been able to obtain payment of invoices in the amount of US$1,824,688 for product off-take proceeds and US$115,545 for home office engineering support.

1. Product off-take proceeds

747. The joint venture's claim under this heading is largely in respect of work executed prior to 2 May 1990. On the face of it, therefore, and applying the approach taken with respect to the "arising prior to" clause in paragraph 16 of Security Council resolution 687 (1991) set out in paragraphs 21 to 23, this work is outside the jurisdiction of the Commission and not compensable. The joint venture seeks to get over this hurdle by relying on the fact that an agreement designed to ensure that it was reimbursed for this work was executed after 2 May 1990. However, in the view of the Panel, the chronology set out above makes it clear that this project is an example of the rescheduling of debt consequent upon Iraq's various martialling activities during the 1980's. Accordingly, the claim for this work is outside the jurisdiction of the Commission and the Panel is unable to make a recommendation.

748. That leaves the work which had been executed after 2 May 1990 and subsequently invoiced. A review of the documentation provided by the joint venture indicates that the value of the work executed after 2 May 1990 is US$514,919. Here, the joint venture benefits from the express acknowledgment of the US$19,910,000 in the 22 July 1990 Agreement. After careful consideration, the Panel has concluded that the whole of the US$514,919 should be recommended for compensation.

2. Services and materials provided by the joint venture

749. The individual items forming part of the claim for services and materials together with the amounts claimed and amount of compensation recommended by the Panel are set out in the following table:

Table 18. ABB Lummus' claim for joint venture services and materials

Loss item	Amount claimed (US$)	Recommended compensation (US$)
Services of expatriate job site employees of the joint venture in July 1990	143,212	143,212
Outside vendor sub-contracted engineering services supplied to the joint venture	175,372	22,431
Materials supplied by the joint venture to the PC-1 Project from Kuwait	155,819	Nil
Miscellaneous supplies, equipment and services procured by the joint venture in Kuwait	43,903	Nil
Materials supplied to the PC-1 Project from outside Iraq and Kuwait	700,765	700,765
Home office engineering support provided by the joint venture from the United States prior to July 1990	705,985	215,332
Home office engineering support provided by the joint venture from the United States during July 1990	16,461	Nil
Recruiting and field orientation services	269,306	1,103
PC-1 Project "debottlenecking" (expansion) engineering studies	473,495	Nil
Home office coordination services performed by the joint venture in July 1990	89,000	Nil
Total	2,773,318	1,082,843

750. For those items in respect of which the Panel has recommended no compensation or compensation in an amount less than the full amount claimed, the Panel's justification is set out below.

(a) Outside vendor sub-contracted engineering services supplied to the joint venture

751. The joint venture provided four supporting invoices dated between 22 July and 13 November 1990. Only the first invoice dated 22 July 1990 for the amount of US$22,431 relates to work performed subsequent to 2 May 1990. The remaining three invoices relate to work performed prior to 2 May 1990 and are, therefore, outside the jurisdiction of the Commission.

(b) Materials supplied by the joint venture to the PC-1 Project from Kuwait

752. The joint venture stated that the relevant invoice for this item is located in Iraq and that it has been denied access to supporting documentation. The joint venture seeks to evidence this claim by way of affidavit. However, and with all respect to the deponents, the absence of any documentary support either as to the relevant supply or as to the date of the supply means that the Panel, if it was to enter a favourable recommendation, would be relying on the assertion of the joint venture. This is not a course the Panel is prepared to follow, especially where the assumption goes to jurisdiction as well as to quantum.

(c) Miscellaneous supplies, equipment and services procured by the joint venture in Kuwait

753. The joint venture provided two supporting invoices dated 20 and 31 October 1990 for US$9,304 and US$30,751. In the view of the Panel, there is no sufficient evidence before it upon which it could confidently be stated that any sum was in respect of work executed after 2 May 1990 and in respect of which there ought to be a positive recommendation. The joint venture stated that a third invoice (for an amount of US$3,849) is still at the PC-1 Project site.

(d) Home office engineering support provided by the joint venture from the United States prior to July 1990

754. The joint venture provided 27 monthly time sheet analyses. The time sheets total 10,639 hours at an overall cost of US$705,985. A review of the time sheets indicates that most of the relevant work was performed prior to 2 May 1990, even though the invoices were not presented until after 2 May 1990. The Panel finds that only the amount of US$215,332 relates to work performed after 2 May 1990, and, accordingly, that only this amount should be recommended for compensation.

(e) Home office engineering support provided by the joint venture from the United States during July 1990

755. The joint venture provided a single invoice dated 1 August 1990 issued by ABB Lummus to the joint venture. The invoice relates to labour charges, telephone, telex, cable and copying charges and overheads. It is supported by computer-generated payroll extracts. The joint venture did not state whether the issue of such invoices by parties to the joint venture was a normal procedure.

756. The Panel finds that the joint venture did not provide sufficient evidence of its stated losses.

(f) Recruiting and field orientation services

757. The joint venture provided an invoice dated 18 July 1990 for the amount claimed (US$269,306) as well as other documents listing time and

expenses recorded. A review of the documentation provided indicates that almost all of the time and expenses involved relate to work performed in 1988 and 1989.

758. The Panel finds that only the amount of US$1,103 relates to work performed after 2 May 1990, and, accordingly, that only this amount should be recommended for compensation.

(g) PC-1 Project "debottlenecking" (expansion) engineering studies

759. The joint venture provided an invoice dated 7 July 1990 addressed to the Ministry for the amount claimed (US$473,495). The joint venture also provided related correspondence and supporting documentation. The supporting documentation indicates that the work was performed between January and September 1989.

760. The Panel finds that the claim for this item is outside the jurisdiction of the Commission as it relates to work performed prior to 2 May 1990.

(h) Home office coordination services performed by the joint venture in July 1990

761. The joint venture provided an invoice dated 1 August 1990 for the amount claimed (US$89,000). The invoice relates mainly to courier charges dated between 6 and 20 August 1988. The amount claimed was agreed in clause 4.3 of the Restart Agreement as a monthly fixed charge to be paid by the Iraqi employer from the effective date of the Restart Agreement (6 October 1987) until final acceptance.

762. The Panel finds that the claim for this item is outside the jurisdiction of the Commission as it relates to work performed prior to 2 May 1990.

3. Recommendation for contract losses

763. The Panel recommends compensation in the amount of US$1,597,762.

B. Loss of tangible property

1. Facts and contentions

764. The joint venture seeks compensation in the amount of US$680,000 for loss of tangible property, including vehicles, kitchen equipment, computer hardware and software, stereo and television equipment, sea containers, food and beverages.

765. The items were allegedly acquired by the joint venture for use in the performance of the Restart Agreement and were located at the PC-1 Project campsite at the time of the departure of the hostages in December 1990. The joint venture stated that when the joint venture's PC-1 Project site personnel were released, they departed Iraq without valuable tangible

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property owned by the joint venture, which had been under their supervision and control prior to the invasion. According to the joint venture, the hostages were not permitted to arrange for the orderly removal of such property from Iraq. The joint venture further stated that it believed that the property was abandoned, destroyed, removed, consumed, misappropriated and expropriated by the Government of Iraq.

2. Analysis and valuation

766. The joint venture stated that the records relating to the tangible property remain at the PC-1 Project campsite, and the Ministry and the State Establishment for Petrochemical Industries have refused the joint venture access to these and all other site records. In support of this item, the joint venture provided affidavits by four of its former senior employees who had first-hand involvement with Project PC-1.

767. However, and again with all respect to the deponents, the absence of any documentary support either as to the ownership, age or value of the tangible assets in question means that the Panel, if it was to enter a favourable recommendation, would be relying on the assertion of the joint venture. This is not a course the Panel is prepared to follow.

768. The Panel finds that the joint venture provided sufficient evidence (in the form of an export licence dated July 1988) in respect of hardware purchased by the joint venture for GBP 26,736. Taking into account the age and useable life of the hardware, the Panel recommends compensation in the amount of GBP 16,042.

3. Recommendation for loss of tangible property

769. The Panel recommends compensation in the amount of US$30,498 (GBP 16,042).

C. "Project shutdown expenses"

1. Facts and contentions

770. The joint venture seeks compensation in the amount of US$4,135,978 (modified from the original claim in the amount of US$4,427,290) for expenses incurred in the shutdown of the PC-1 Project which was ordered on or about 2 August and which was completed in September 1990. Some of the shutdown expenses claimed were incurred by the joint venture in 1991 (including after 2 March 1991).

771. The amounts claimed are reimbursable project expenses under the Restart Agreement and are, therefore, compensable under the 22 July 1990 Agreement. The joint venture's case is that it "took all reasonable action to limit and mitigate its losses, [however] substantial out of pocket job site and home office costs were incurred".

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772. The individual items forming part of the claim for "project shutdown expenses" are home office shutdown expenses, local (Iraq) labour costs and costs of sustaining the hostages.

773. The individual items forming part of the claim for "project shutdown expenses" are set out in the following table:

Table 19. ABB Lummus' claim for "project shutdown expenses"

Loss item	Amount claimed (US$)
Home-office shutdown expenses	
Labour costs (USA)	911,505
Labour costs (Germany)	458,064
Home office non-payroll costs (USA)	390,495
Home office non-payroll costs (Germany)	761,845
Materials costs (USA)	199,300
Materials costs (Germany)	854,556
Sub-total home-office shutdown expenses:	3,575,765
Local (Iraq) labour costs	61,622
Costs of sustaining the hostages	498,591 (Original currency of loss: ID 154,842)
Total	4,135,978

2. Analysis and valuation

(a) Home-office shutdown expenses/Local (Iraq) labour costs

774. In support of these two claims, the joint venture provided voluminous and extensive documentation. Indeed, the Panel has little doubt that, by one means or another, the joint venture certainly spent substantial sums of money, as recorded in the invoices and other materials supplied to it. The Panel's problem is its inability to identify a clear line of causation between the instruction to shut down and the invoices supplied. In the absence of such a line, the Panel is unable to make a recommendation for compensation.

(b) Costs of sustaining the hostages

775. In support of its claim, the joint venture provided:

(i) a list of names of 26 expatriate staff who were being held at the PC-1 Project site as of 10 August 1990;

(ii) a comparison of cash balances in its Iraqi bank accounts between the end of July and the end of December 1990;

(iii) internal memoranda; and

(iv) affidavits sworn by several of its senior staff.

776. Having considered this material, the Panel is of the opinion that it is able to recommend compensation in the amount of ID 154,842.

3. Recommendation for "project shutdown expenses"

777. The Panel recommends compensation in the amount of US$497,884 (ID 154,842).

D. Expropriated intangible property

778. The joint venture seeks compensation in the amount of US$2,980,699 for intangible property allegedly expropriated by the Iraqi authorities. The property comprises bank deposits (ID 125,683) and "finally adjudicated customs refunds" (ID 800,000) belonging to the joint venture. The joint venture stated that the Iraqi authorities denied the joint venture access to, and ultimately confiscated, those funds.

779. Both these items are, in effect, claims for Iraqi dinars. While claims for Iraqi dinars in connection with hostage expenses or the repatriation of staff may be acceptable, otherwise the principle is as set out in paragraphs 142 to 152. In addition, in this case, the customs claim is deficient by reason of the absence of a copy of the court order, and both claims lack a clear causal connection.

780. The Panel recommends no compensation.

E. Summary of recommended compensation for ABB Lummus

781. Based on its findings regarding ABB Lummus' claim, the Panel recommends compensation in the amount of US$2,126,144. The Panel finds the date of loss to be 2 August 1990.

XXIII. STATE ENTERPRISE FOREIGN ECONOMIC ASSOCIATION 'MACHINOIMPORT' SE/VO 'MACHINOIMPORT'

782. STATE ENTERPRISE FOREIGN ECONOMIC ASSOCIATION 'MACHINOIMPORT' SE/VO 'MACHINOIMPORT' ("Machinoimport") is a Russian legal entity involved in the construction and development of oil, gas and coal projects and the exportation and importation of equipment and raw materials throughout the world. Machinoimport seeks compensation in the amount of US$812,594,345 for contract losses, loss of tangible property, payment or relief to others and interest.

783. For the reasons stated in paragraph 37, the Panel does not address the issue of the compensability of claims for interest where the interest claim is not part of a commercial credit agreement executed at the time of the original contract.

784. At the time of Iraq's invasion and occupation of Kuwait, Machinoimport was working on six projects in Iraq: (a) the West Qurna Oil field Facility Contract dated 3 July 1987 with the State Company for Oil Projects ("SCOP") for a total value of US$637,530,046; (b) the West Qurna Drilling Contract dated 1 January 1982 with the Iraqi National Oil Company ("INOC") and its successors based on unit rates; (c) the Trans-Iraqi Pipeline Contract dated 20 May 1986 with SCOP for a total value of US$98,950,000; (d) the Pipeline Stringing Contract dated 8 January 1989 with SCOP for a total value of US$6,494,011; (e) the Pipeline Welding Contract dated 8 January 1989 with SCOP for a total value of US$10,990,410; and (f) the Technical Assistance Contract dated 14 August 1988 with SCOP. With respect to the Technical Assistance Contract, Machinoimport seeks compensation only for unproductive labour costs.

785. Machinoimport was also performing work in Ahmadi, Kuwait at the time of Iraq's invasion of Kuwait. On 12 November 1988, Machinoimport entered into a contract with the Kuwait Oil Company ("KOC") for the design, supply, construction and commissioning of a Dehydration/Desalting plant on a turnkey, fixed price lump sum basis ("Dehydration Contract"). The total value of the Dehydration Contract was US$61 million.

786. In support of its stated losses, Machinoimport submitted extensive documentation, including all of the pertinent contracts and subcontracts, certificates demonstrating acceptance of work performed, payroll records, tangible property schedules supported by customs declarations and other documentation, invoices, bills of lading, receipts, as well as non-documentary evidence.

A. Contract losses in Iraq

1. West Qurna Facility Contract

787. Machinoimport seeks compensation in the amount of US$384,546,919 plus interest for losses relating to the construction of the West Qurna Oil facility. The West Qurna Facility Contract required Machinoimport to construct, over a four-year period on a turnkey, fixed price lump sum basis, a fully functional oil field facility. The contract was divided into two portions. The first part was the execution of the necessary design work. The second part comprised the provision of equipment and the execution of construction and engineering work. At the time of Iraq's invasion of Kuwait, Machinoimport had completed approximately 72.4 per cent of the entire work: 98 per cent of the design work; 72 per cent of the equipment deliveries; and just over 50 per cent of the construction works.

788. The payment terms for the design work and equipment portion of the West Qurna Facility Contract were set out in what was described as a "State Credit granted in accordance with the Soviet-Iraqi Agreement of November 23, 1983 and in accordance with the Arrangement between the Bank of Foreign Trade of the USSR, Moscow, and the Central Bank of Iraq, Baghdad, of April 3 1984" (hereinafter, the "State Credit Agreement"). Machinoimport advised the Panel of the strict confidentiality of these agreements, the terms of which the Government of the Russian Federation has not permitted to be released.

789. The payment terms for the construction and engineering portion of the West Qurna Facility Contract were set out in a commercial credit agreement in the original construction contract granted by Machinoimport to SCOP. This commercial credit facility provided for a three-year grace period, which ran from the first date of utilisation of the credit. Thereafter, repayment was to be effected in five equal annual instalments with interest at a rate of 5.5 per cent per annum. Many, but not all, of the invoices were accompanied by a payment schedule setting forth the principal and interest due according to the terms of the credit agreement. Additionally, Machinoimport entered into a fixed price lump sum contract with a third party supplier for certain equipment. Machinoimport stated that neither of these portions of the West Qurna Facility Contract were subject to the terms and provisions of the State Credit Agreement.

790. With respect to the stated losses, the payment of which was pursuant to the terms of the State Credit Agreement, the Panel finds that the Commission has jurisdiction only over those losses in relation to which the performance of work or delivery of equipment or materials occurred after 2 May 1990.

791. With respect to the stated losses, the payment of which was pursuant to terms of the commercial credit agreement, the Panel finds that such losses are within the jurisdiction of the Commission and in principle compensable if the losses are the direct result of Iraq's invasion occupation of Iraq and supported by sufficient and appropriate evidence.

(a) Undelivered specially manufactured equipment

792. Machinoimport seeks compensation in the amount of US$4,083,438 for undelivered specially manufactured equipment.

793. As part of its obligations under the West Qurna Facility Contract, Machinoimport was required to supply specially manufactured equipment such as gas separators, measuring separators, mixers, pumps and compressors. At the time of Iraq's invasion of Kuwait, a ship with approximately 1,000 tons of equipment was forced to return to port. Since that time, the specially manufactured equipment has remained in storage. Machinoimport stated that it is unable to resell the equipment to other customers. However, it, offered no evidence to show that it had attempted to do so.

794. The Panel finds that Machinoimport failed to demonstrate the unique nature of this equipment. Machinoimport did not submit sufficient documentation to establish that the 1,000 tons of shipped equipment comprised specially manufactured goods, which could not, whether with or without modifications, be of use elsewhere.

795. Accordingly, the Panel recommends no compensation for undelivered specially manufactured equipment.

(b) Completed, but unpaid work

796. Machinoimport seeks compensation in the amount of US$368,729,569 for completed, but unpaid work under the West Qurna Facility Contract.

(i) Construction work

797. As set forth above, payment for construction work completed pursuant to the West Qurna Facility Contract was not subject to the State Credit Agreement, but was rather to a separate commercial credit agreement. Payment under the terms of the credit agreement were scheduled to begin on or before 15 June 1993.

798. Machinoimport submitted all invoices and payment certificates documenting completion and acceptance of the work performed. The invoices and payment certificates indicate the proportional deduction for the advance payment and the accrual of retention amounts. Machinoimport had received payment of the Iraqi dinar portion, but not of the United States dollar portion, of the sums certified in respect of construction work completed at the time of Iraq's invasion and occupation of Kuwait.

799. Notwithstanding that Iraq's unlawful invasion and occupation of Kuwait ended on 2 March 1991, the economic consequences thereof did not end immediately after cessation of the hostilities. The Panel therefore considers that losses which occurred thereafter may be compensable as they can still constitute a direct consequence of Iraq's invasion and occupation of Kuwait. However a point in time will come when it is no longer appropriate to regard events on the ground as directly caused by Iraq's invasion and occupation of Kuwait. In the present case, the Panel has

concluded that that point in time is reached three months after the ending of Iraq's occupation of Kuwait, namely at 2 June 1991.

800. The Panel recommends no compensation for payments due pursuant to the commercial credit agreement. This is because the failure of SCOP to make the payments under it (starting with the first one on 15 June 1993) was not a direct result of Iraq's invasion and occupation of Kuwait.

801. Accordingly, the Panel recommends compensation in the amount of US$6,352,339 for work performed after 2 May 1990 and in the amount of US$11,793,270 for retention amounts.

(ii) Design work

802. Payment for performance of design work was covered by the State Credit Agreement. Machinoimport submitted all invoices and acceptance certificates for the design work. All design work was performed prior to 2 May 1990 and is, therefore, outside the jurisdiction of the Commission.

803. The Panel recommends no compensation for design work.

(iii) Rent of construction equipment

804. Payment for rent of construction equipment was covered by the State Credit Agreement. Machinoimport submitted all invoices and acceptance certificates for this loss element. Only the last three invoices issued pertain to rent of equipment after 2 May 1990. Accordingly, the Panel recommends compensation in the amount of US$5,048,529 for rent of construction equipment.

(iv) Technological equipment

805. Machinoimport produced and delivered custom made technological equipment for the West Qurna Facility. Payment for the equipment was to be made pursuant to the terms of the State Credit Agreement. Machinoimport submitted all invoices, shipping documents and supporting documentation. This documentation established that all the equipment was delivered to, and accepted by, SCOP between July 1988 and October 1990. Only the invoices for dates of shipment subsequent to 2 May 1990 are compensable. Accordingly, the Panel recommends compensation in the amount of US$3,388,046 for technological equipment.

(v) Third party supply contract

806. Machinoimport contracted with a third party supplier in the amount of US$239 million for (a) the supply and delivery of equipment and materials; (b) design, engineering and training services; and (c) spare parts. This third party supply contract was not subject to the State Credit Agreement. The supplier granted a commercial credit facility to Machinoimport that mirrors the payment terms of the commercial credit facility granted to SCOP by Machinoimport.

807. Machinoimport submitted substantial documentation relevant to this alleged loss element. SCOP approved all invoices, but while Machinoimport has not received any payment from SCOP, there is no evidence that it has made any payment whatsoever to, or entered into any relevant arrangement with, its supplier. Accordingly, there has in fact been no loss on Machinoimport's part.

808. As no loss has arisen, the Panel recommends no compensation for the third party supply contract.

(vi) Commission fees for third party supply contract

809. Under the West Qurna Facility Contract, SCOP was obliged to pay Machinoimport a 2.75 per cent commission fee on 98 per cent of the FOB price of the equipment and materials actually delivered by the third party supplier. Based on the documents submitted in support of the third party supplier contract, the Panel finds that four deliveries were made by the supplier and accepted by SCOP after 2 May 1990. Accordingly, the Panel recommends compensation in the amount of US$1,907,974 for commission fees.

(c) Loss of profits

810. Machinoimport seeks compensation in the amount of US$11,733,912 for loss of profits on the West Qurna Facility Contract, representing 10 per cent of the value of the construction work that remained to be completed. At the time of the collapse of the project, the work was just over 50 per cent completed.

811. The Panel finds that the evidence provided by Machinoimport fails to demonstrate that the contract would have been profitable as a whole. On the date of the collapse of the project, the contract appears to have had a surplus in revenues. However, Machinoimport did not provide any additional evidence of the projected revenues and expenses of the project through completion. Additionally, two other Machinoimport contracts completed during the 1990s were examined and it was determined that Machinoimport had incurred losses on both of those contracts.

812. Machinoimport failed to demonstrate either that the West Qurna Facility Contract would have been profitable as a whole and that historically other Machinoimport contracts in Iraq were always or at least usually profitable. Applying the approach taken with respect to loss of profits on a particular project set out in paragraphs 133 to 138, the Panel recommends no compensation for loss of profits on this contract.

(d) Recommendation for West Qurna Facility Contract

813. Based on the foregoing, the Panel recommends compensation in the amount of US$28,490,158 for the West Qurna Facility Contract.

2. West Qurna Drilling Contract

814. Machinoimport seeks compensation in the amount of US$21,475,071 plus interest for unpaid work and loss of profits. In January 1982, Machinoimport and the INOC entered into a contract to develop and transport drilling rigs over a five-year period.

(a) Completed, but unpaid work and services

815. Approximately 22 months after signing the original contract, the parties entered into a credit arrangement using bills of exchange with three-year maturity dates and an interest rate of five per cent per annum. The Panel finds that this credit arrangement was not part of the original contract, but merely a rescheduling of the original payment terms. For the reasons set forth in paragraphs 21 to 23 and paragraphs 72 to 81, the Panel finds that only the work performed after 2 May 1990 is within the jurisdiction of the Commission.

816. Machinoimport submitted sufficient documentation to demonstrate the work completed and accepted by its Iraqi employer for the work performed and for the transportation services. The Panel finds the value of invoices submitted for work performed subsequent to 2 May 1990 is US$4,960,595. The Panel finds the value of invoices submitted for transportation services after 2 May 1990 is US$140,460.

817. The Panel recommends compensation in the amount of US$5,101,055 for completed, but unpaid work and services.

(b) Loss of profits

818. Applying the approach taken with respect to loss of profits set out in paragraphs 131 to 138 and paragraphs 810 to 812, the Panel recommends no compensation for loss of profits on the West Qurna Drilling Contract.

(c) Recommendation for West Qurna Drilling Contract

819. Based on the foregoing analysis, the Panel recommends compensation in the amount of US$5,101,055 for the West Qurna Drilling Contract.

3. Trans-Iraqi Pipeline Contract

820. Machinoimport seeks compensation in the amount of US$131,491,200 plus interest for unpaid work for construction of a dry gas pipeline from Nassiriya-Baghdad to North Rumaila-Zubai. In addition to the pipeline, Machinoimport constructed a compressor station at North Rumaila, a telecommunications and telecontrol system and a service road. The Trans-Iraqi Pipeline Contract was broken down into five separate contracts as follows: (a) Phase I Construction of the 345 km pipeline; (b) Phase II Construction of the 31 km pipeline; (c) Loopings Construction; (d) Linear Supply Contract; and (e) Compressor Supply Contract.

821. At the time of Iraq's invasion of Kuwait, 98.7 per cent of the work under the Trans-Iraqi Pipeline Contract had been completed, and virtually all of the equipment and supplies under the Linear Supply Contract and the Compressor Supply Contract had been delivered. The only work remaining to be performed was the performance test on the compression station that had been delayed due to defective generators.

(a) Completed, but unpaid work

822. As part of the original contract terms for Phase I Construction, Machinoimport and SCOP executed a Commercial Credit Agreement in the original principal amount of US$31,697,829 with interest at a rate of 5.5 per cent per annum. The Commercial Credit Agreements provided SCOP with a three-year grace period, commencing on the earliest date of work, with payment for work performed to be made over five years in equal annual instalments, commencing on or before 15 June 1991.

823. The terms for the extension of commercial credit under Phase II Construction and the Loopings Construction contracts mirrored the Commercial Credit Agreement for Phase I Construction. However, the payment schedule for the Loopings Construction was to start in June 1992 and for Phase II Construction in June 1994. As was the case with the West Qurna Facility Contract, Machinoimport submitted invoices that were accompanied by payment schedules setting forth the principal and interest due according to the terms of the respective credit agreements.

824. Machinoimport seeks compensation for completed, but unpaid work in the amount of US$26,956,144 for Phase I Construction of the 345 km pipeline; US$2,408,925 for Phase II Construction of the 31 km pipeline; and US$10,293,908 for Loopings Construction. Machinoimport submitted sufficient documentation to demonstrate the work completed and accepted by its Iraqi employer in respect of Phase I, Phase II and the Loopings Construction.

825. The Panel finds that such losses are within the jurisdiction of the Commission and in principle compensable if the losses are the direct result of Iraq's invasion occupation of Iraq and supported by sufficient and appropriate evidence.

826. For the reasons set forth in paragraph 799, the Panel finds that Iraq's failure to make the payments due under the commercial credit agreement for Phase I Construction, for Phase II Construction and for the Loopings Construction was not a direct result of Iraq's invasion and occupation of Kuwait.

827. Accordingly, the Panel recommends no compensation for completed, but unpaid work on the Trans Iraqi Pipeline.

(b) Third party supply contracts

828. With respect to the third party supply contracts, Machinoimport and SCOP entered into separate Commercial Credit Agreements for each supplier

contract. Under the terms of the Commercial Credit Agreements, Machinoimport granted SCOP a 42 month deferred payment arrangement from the date of shipment at an interest rate of 7.75 per cent per annum for the Compressor Supply Contract and 7.5 per cent per annum for the Linear Supply Contract. Pursuant to the terms of both the Compressor Supply Contract and the Linear Supply Contract, the first date of shipment triggered the start of the grace period and the accrual of interest. Finally, Machinoimport was entitled to a 2 per cent commission fee on the Compressor Supply Contract and a 3 per cent commission fee on the Linear Supply Contract.

829. The first of the five equal annual instalment payments from SCOP on the Compressor Supply Contract was due in or about 20 May 1990 and on the Linear Supply Contract on 31 July 1990. Again, the invoices submitted by Machinoimport set forth the payment schedules under the respective supply contracts.

830. Machinoimport seeks compensation in the amount of US$26,372,588 for the Compressor Supply Contract and US$65,459,635 for the Linear Supply Contract in respect of the delivery of equipment and supplies used on the Trans-Iraqi Pipeline Contract.

831. Machinoimport submitted sufficient evidence of the deliveries of equipment and material by both third party suppliers. Machinoimport submitted sufficient evidence of its payment of the third party suppliers for the delivered equipment under both contracts for the years 1990 and 1991. Machinoimport stated that the balance of payments were made by its predecessor in interest and that evidence of payment could not be located. The Panel finds that only the amounts proved to have been paid by Machinoimport are compensable.

832. Additionally, the Panel finds that SCOP's failure to make the payments due under the terms of the commercial credit agreements for each of the supply contracts is a direct result of Iraq's invasion and occupation of Kuwait. Based on the schedule of payments as reconstructed, the Panel recommends compensation in the amount of US$14,938,152 for the Compression Supply Contract and US$22,795,748 for the Linear Supply Contract.

(c) Recommendation for Trans-Iraqi Pipeline Contract

833. Based on the foregoing analysis, the Panel recommends compensation in the amount of US$37,733,900 for contract losses on the Trans-Iraqi Pipeline Contract.

4. Strategic Pipeline Contracts

834. On or about 8 January 1989, Machinoimport entered into two contracts with SCOP concerning Iraq's strategic pipeline project: the Pipeline Stringing Contract and the Pipeline Welding Contract. Both contracts contained identical payment schedules and set forth a commercial credit agreement whereby Machinoimport granted SCOP a three-year grace period, with the principal to be repaid in five equal annual instalments due on or

before 15 June of the payment year together with interest at a rate of 5.5 per cent per annum.

(a) Pipeline Stringing Contract

835. Machinoimport seeks compensation in the amount of US$2,454,650 plus interest for work completed but not paid and loss of profits on the Pipeline Stringing Contract.

836. Machinoimport submitted one invoice dated 20 May 1993 for work that had been completed between December 1989 and December 1990. Machinoimport stated that this invoice was the result of a meeting with SCOP to determine the outstanding amounts due and owing under the Pipeline Stringing Contract. According to the documents submitted by Machinoimport, the first payment under the credit agreement was to be made on or before 15 June 1994.

837. The Panel finds that the failure of SCOP to make the first payment was not a direct result of Iraq's invasion and occupation of Kuwait.

838. Applying the approach taken with respect to loss of profits on a particular project set out in paragraphs 133 to 138 and 810 to 812, the Panel recommends no compensation for loss of profits on Pipeline Stringing Contract.

839. Based on the foregoing analysis, the Panel recommends no compensation for losses incurred on the Pipeline Stringing Contract.

(b) Pipeline Welding Contract

840. Machinoimport seeks compensation in the amount of US$4,167,353 plus interest for unpaid work and loss of profits on the Pipeline Welding Contract.

841. With respect to the Pipeline Welding Contract, Machinoimport submitted one invoice dated 20 May 1993 for work that had been completed between December 1989 and December 1990. Machinoimport stated that this invoice was the result of a meeting with SCOP to determine the outstanding amounts due and owing under the Pipeline Welding Contract. According to the documents submitted by Machinoimport, the first payment under the credit agreement was to be made on or before 15 June 1994.

842. The Panel finds that the failure of SCOP to make the first payment under the commercial credit agreement was not a direct result of Iraq's invasion and occupation of Kuwait.

843. The Panel recommends no compensation for unpaid work.

844. Applying the approach taken with respect to loss of profits on a particular project set out in paragraphs 133 to 138 and 810 to 812, the Panel recommends no compensation for loss of profits on Pipeline Welding Contract.

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845. Based on the foregoing analysis, the Panel recommends no compensation for losses incurred on the Pipeline Welding Contract.

B. Contract losses in Kuwait

846. Machinoimport seeks compensation in the amount of US$841,338 plus interest for loss of profits on the Dehydration Project.

847. At the time of Iraq's invasion of Kuwait, the Dehydration Project was 57.57 per cent complete. Machinoimport had completed and been paid for virtually all of the design and supply work required. At the time of the invasion, all work stopped on the project. On 20 July 1991, KOC informed Machinoimport that the Dehydration Project was terminated due to Iraq's invasion and occupation of Kuwait.

848. Machinoimport stated that its typical profit margin on contracts "such as the Dehydration Contract with Kuwait is 10%." In support of this statement Machinoimport offered the financial information for the five Iraqi projects above. The Panel finds that this documentation does not establish that Machinoimport would have earned any profit on the Dehydration Project.

849. For the reasons set forth in paragraphs 133 to 138 and 810 to 812, the Panel recommends no compensation for the Dehydration Contract.

C. Loss of tangible property

850. Machinoimport seeks compensation in the amount of ID 9,835,703 and KD 1,183,069 for loss of tangible property from project sites in Iraq and Kuwait.

1. Iraqi projects

851. The tangible property that Machinoimport temporarily imported into Iraq was located at four sites within a 30 kilometre area near West Qurna. In response to a request by the Panel for further information, Machinoimport elaborated the presentation of its original claim to indicate that the majority of the damaged or destroyed assets were located at the West Qurna project site and were used in the execution of the West Qurna Facility Contract and the West Qurna Drilling Contract.

852. Machinoimport provided full documentation in support of the stated losses. The evidence provided by Machinoimport established its ownership of the assets and the presence of those assets in Iraq and described the damage and destruction of those assets as a result of heavy air attacks, fires and subsequent civil disorder that occurred on and after 17 January 1991. Machinoimport supplemented its written documentation with eyewitness accounts, video tapes and photographs.

853. In valuing some of its tangible asset losses in Iraq, Machinoimport failed to depreciate fully certain machinery, equipment and furniture to

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the end of December 1990. The Panel has accounted for the additional depreciation in its analysis of these stated losses.

854. Additionally, Machinoimport sought to increase the amount of its original claim for metalwork in its responses to the Questions to the Claimant. However, for the reasons set out in paragraphs 61 to 63 (amending claims after filing), the Panel did not consider Machinoimport's claim for the revised amount.

855. The Panel's findings regarding each asset type are set forth in the following table:

Table 20. Machinoimport's loss of tangible property (Iraqi projects)

Asset type	Amount claimed (ID)	Recommended compensation (ID)
Vehicles	2,245,448.145	2,245,448.145
Machines	3,859,854.520	3,509,041.207
Caravans	2,860,654.418	2,860,654.418
Metalwork	246,919.885	237,850.020
Furniture	622,826.282	585,047.536
Total	9,835,703.250	9,438,041.326

856. Based on the foregoing analysis and using the currency exchange rate as of 31 December 1990, the Panel recommends compensation in the amount of US$30,347,400 for tangible property losses in Iraq.

2. Kuwaiti project

857. Machinoimport seeks compensation in the amount of KD1,183,069.002 for loss of tangible property in Kuwait. Machinoimport stated that all of its equipment located in Kuwait was destroyed or damaged beyond repair by the Iraqi troops who occupied the Dehydration Project's industrial base and by the subsequent bombing of the industrial base by the Allied Forces.

(a) Imported assets

858. The Panel finds that Machinoimport provided inconsistent documentation to support all of the stated losses. On the one hand, the schedules submitted and verified by a Machinoimport employee are very detailed. By way of supplement to the schedules, Machinoimport provided shipping and customs documentation in addition to documentation from inspections carried out by the Government of Kuwait and documentation relating to import agents' fees. Additionally, a significant portion of the consumables, including materials, spare parts, tools and supplies were imported into Kuwait in 1989 and should have been used up in the project works prior to Iraq's invasion and occupation of Kuwait.

859. However, for the majority of items, the supporting documentation did not reconcile with the schedules submitted and verified by Machinoimport. While the Panel finds the verified statement a useful point of reference, it bases its recommendations on the sufficiency of the supporting documentation submitted by Machinoimport.

860. The Panel's findings regarding each imported asset type are set forth in the following table:

Table 21. Machinoimport's tangible property imported into Kuwait

Asset type	Amount claimed (KD)	Recommended compensation (KD)
Imported heavy equipment	468,942.166	95,550.300
Imported vehicles	71,710.750	61,251.750
Power supply and welding equipment	101,683.862	36,746.650
Miscellaneous equipment	139,929.275	125,164.800
Industrial-based material and supplies	183,730.000	67,218.400
Total	965,996.053	385,931.900

861. Based on the foregoing analysis and using the currency exchange rate as of 17 August 1990, the Panel recommends compensation in the amount of US$1,335,404 for loss of tangible assets imported into Kuwait.

(b) Locally purchased assets

862. Machinoimport also sought compensation in the total amount of KD217,072.949 for loss of tangible property purchased in Kuwait. In support of its claim, Machinoimport provided schedules of the assets. The schedules were verified by affidavit, but were unsupported by any other documentation or explanation of their preparation. The Panel finds that Machinoimport did not submit sufficient evidence to support loss of locally purchased assets. Accordingly, the Panel recommends no compensation for these losses.

3. Recommendation for loss of tangible property

863. Based on the foregoing analysis, the Panel recommends compensation in the amount of US$31,682,804 for tangible property losses.

D. Payment or relief to others

1. Protection of assets in Iraq

864. Between 27 December 1990 and 9 January 1991, Machinoimport entered into six contracts for the storage and protection of Machinoimport's

property and equipment located at various sites in Iraq after the withdrawal of its personnel. Machinoimport seeks compensation in the amount of ID 290,586 for such mitigation costs.

865. Machinoimport stated that the property that was the subject of these six contracts was first damaged or destroyed by certain military operations conducted in January 1991 and then vandalised and further damaged beyond repair during the breakdown of civil order in Iraq. A representative of Machinoimport returned to Iraq in October 1991 to inspect Machinoimport's project sites and to assess the damage. Machinoimport stated that, during this visit, Machinoimport determined the specific termination dates for each of the six security contracts. However, Machinoimport failed to explain the facts or reasoning for its determinations.

866. Despite Machinoimport's good faith efforts to minimize its potential losses, the Panel finds that Machinoimport did not submit sufficient evidence to support this loss. Machinoimport did not identify the approximate dates of damage or destruction of the safeguarded assets for any of the contracts. More importantly, Machinoimport did not provide evidence of payment of the salaries and expenses incurred, explain the mechanism for payments, or explain the lack of documentation.

867. The Panel recommends no compensation for expenses incurred in relation to the protection of assets in Iraq.

2. Additional wages paid - Iraqi projects

868. Machinoimport seeks compensation in the amount of ID7,984,787.361 for additional wages paid to its specialists and personnel who were detained in Iraq from August 1990 to January 1991.

869. At the time of Iraq's invasion and occupation of Kuwait, Machinoimport employed some 4,769 specialists and personnel at the six project sites in Iraq. Because Iraq delayed the issue of exit visas, Machinoimport gradually repatriated its specialists and personnel between August 1990 and January 1991. During this period, Machinoimport paid its workforce to close down its operations at each site and to take appropriate steps to secure and protect the work sites, property and equipment.

870. Machinoimport submitted both computerised and handwritten payroll journals that contained identification information, wages paid for the period in question, and signatures of each recipient acknowledging payment. Although there were minor discrepancies, Machinoimport submitted sufficient and appropriate evidence in the circumstances.

871. Accordingly, the Panel recommends compensation in the amount of US$25,674,557.

3. Employee maintenance and transport costs - Kuwait

872. Machinoimport seeks compensation in the amount of KD109,043.667 for the maintenance and transport of some 623 specialists working at the

Dehydration Project in Kuwait. Machinoimport withdrew its claim for air transportation from Baghdad to Moscow.

873. Machinoimport evacuated the 623 specialists from Kuwait on or about 17 August 1990. Machinoimport identified each evacuee by name, passport number and date of evacuation. Because Machinoimport does not have any receipts for the cost of maintaining these specialist in Kuwait prior to their evacuation, Machinoimport used an average expense of KD 233 per month to determine the overall cost of maintenance of the 623 specialists for 17 days. Machinoimport seeks compensation in the amount of KD 82,257 for the maintenance expenses in Kuwait.

874. Machinoimport evacuated its specialists from Kuwait first by bus to Amman, Jordan and then by air from Amman to Moscow. Machinoimport seeks compensation only for the bus transportation costs and the maintenance costs during the bus trip. Machinoimport hired 16 buses for ten days to cover the round trip from Kuwait to Jordan. Machinoimport seeks compensation in the amount of KD 1,866.667 for the cost of transport.

875. Additionally, Machinoimport incurred a per diem expense per passenger during the bus trip of KD 10 for each of the 623 evacuees for a total of KD 24,920.

876. The Panel accepts the statement of Machinoimport that it was not able to preserve all of its records concerning the evacuation expenses for its Kuwaiti-based specialists. The Panel finds that Machinoimport established that it did have 623 specialists in Kuwait at the time of Iraq's invasion and occupation of Kuwait and that these specialists were evacuated by bus from Kuwait to Amman. Further, the Panel finds that the expenditures were reasonable in the circumstances.

877. Accordingly, the Panel recommends compensation in the amount of US$377,314 for evacuation costs of its specialists in Kuwait.

4. Recommendation for payment or relief to others

878. Based on the foregoing analysis, the Panel recommends compensation in the amount of US$26,051,871 for payment or relief to others.

E. Summary of recommended compensation for Machinoimport

879. Based on its findings regarding Machinoimport's claim, the Panel recommends compensation in the amount of US$129,059,788. So far as relevant, the Panel finds the date of loss to be 17 August 1990 for losses incurred in Kuwait and 1 January 1991 for losses incurred in Iraq.

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XXIV. SUMMARY OF RECOMMENDED COMPENSATION BY CLAIMANT

TABLE 22. RECOMMENDED COMPENSATION FOR THE FOURTH INSTALMENT

Claimant	Claim amount (US$)	Recommended compensation (US$)
Alpha Professional Services Pty. Ltd.	8,094,239	Nil
Technocon Limited	11,386,640	3,577,529
Mendes Junior S.A.	146,529,528	1,800,373
Technoimportexport AD	17,488,097	22,000
Mechel Contractors (Overseas) Ltd.	11,166,672	Nil
Strojexport Company Limited	99,525,690	3,288,869
Sochata S.A.	18,086,277	Nil
Som Datt Builders Limited	120,671,601	6,056,275
Snamprogetti SpA	68,594,738	Nil
Samsung Engineering and Construction Co. Ltd.	78,791,431	1,690,000
Construction Company "Pelayonija"	198,915,387	8,316,931
Dromex Roads and Bridges Construction Export Enterprise	41,479,821	1,635,818
China Nonferrous Metal Industries Corporation	42,308,482	9,886,658
Nassir Hazza Al-Subaei & Brothers Co., Ltd.	11,699,415	Nil
Dodsal Pte. Ltd.	22,646,081	2,824,426
IMP Inzeniring, Montaza, Proizvodnja d.d.	62,541,905	444,998
STFA Elta Elektrik Tesisleri A.S.	14,782,121	410,861
ABB Lummus Crest Inc.	28,600,308	2,126,144
STATE ENTERPRISE FOREIGN ECONOMIC ASSOCIATION 'MACHINOIMPORT' SE/VO 'MACHINOIMPORT'	812,594,345	129,059,788

880. Based on the foregoing, the Panel recommends the following amounts of compensation for direct losses suffered by the Claimants as a result of Iraq's invasion and occupation of Kuwait:

(a) Alpha Professional Services Pty. Ltd. (Australia): Nil;

(b) Technocon Limited (Bangladesh): US$3,577,529;

(c) Mendes Junior S.A. (Brazil): US$1,800,373;

(d) Technoimportexport AD (Bulgaria): US$22,000;

(e) Mechel Contractors (Overseas) Ltd. (Cyprus): Nil;

(f) Strojexport Company Limited (Czech Republic): US$3,288,869;

(g) Sochata S.A. (France): Nil;

(h) Som Datt Builders Limited (India): US$6,056,275;

(i) Snamprogetti SpA (Italy): Nil;

(j) Samsung Engineering and Construction Co. Ltd. (Korea): US$1,690,000;

(k) Construction Company "Pelagonija" (Macedonia): US$8,316,931; and

(l) Dromex Roads and Bridges Construction Export Enterprise (Poland): US$1,635,818;

(m) China Nonferrous Metal Industries Corporation (China): US$9,886,658;

(n) Nassir Hazza Al-Subaei & Brothers Co., Ltd. (Saudi Arabia): Nil;

(o) Dodsal Pte. Ltd. (Singapore): US$2,824,426;

(p) IMP Inzeniring, Montaza, Proizvodnja d.d. (Slovenia): US$444,998;

(q) STFA Elta Elektrik Tesisleri A.S. (Turkey): US$410,861;

(r) ABB Lummus Crest Inc. (United States of America): US$2,126,144; and

(s) STATE ENTERPRISE FOREIGN ECONOMIC ASSOCIATION 'MACHINOIMPORT' SE/VO 'MACHINOIMPORT' (Russian Federation): US$129,059,788.

Geneva, 30 July 1999

(Signed) John Tackaberry
Chairman

(Signed) Pierre M. Genton
Commissioner

(Signed) Vinayak P. Pradhan
Commissioner

Annex II

Decision concerning the fourth instalment of E3 claims taken by the Governing Council of the United Nations Compensation Commission at its 90th meeting, held at Geneva on 30 September 1999*

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* Previously issued as document S/AC.26/Dec.74 (1999).

[1]/ The text of the report appears in document S/AC.26/1999/14 (annex I above).

Country	Number of claims recommended for payment	Number of claims not recommended for payment	Amount of compensation claimed (US$)	Amount of compensation recommended (US$)
Bulgaria	1	-	17,488,097	22,000
China	1	-	42,308,482	9,886,658
Cyprus	-	1	11,166,672	nil
Czech Republic	1	-	99,525,690	3,288,869
France	-	1	18,086,277	nil
India	1	-	120,671,601	6,056,275
Italy	-	1	68,594,738	nil
Macedonia, The former Yugoslav Republic of	1	-	198,915,387	8,316,931
Poland	1	-	41,479,821	1,635,818
Republic of Korea	1	-	78,791,431	1,690,000
Saudi Arabia	-	1	11,699,415	nil
Singapore	1	-	22,646,081	2,824,426
Slovenia	1	-	62,541,905	444,998
Turkey	1	-	14,782,121	410,861
United States	1	-	28,600,308	2,126,144
Total	13	5	1,003,308,433	42,080,882

3. Reaffirms that when funds become available payments shall be made in accordance with decision 73 (S/AC.26/Dec.73 (1999)),

4. Recalls that when payments are made in accordance with decision 73 (S/AC.26/Dec.73 (1999)) and pursuant to the terms of decision 18 (S/AC.26/Dec.18 (1994)), Governments shall distribute amounts received to the designated claimants in respect of approved awards within six months of receiving payment, and shall, not later than three months after the expiration of this time limit, provide information on such distribution,

5. Takes note of the withdrawal of the claim submitted by the Russian Federation, which was received after the panel signed the report and submitted its report and recommendations to the Governing Council,

6. Notes, that with the withdrawal of the claim submitted by the Russian Federation, paragraphs 82 to 88 of the report of the panel, which relate solely to the facts of that one claim, have been rendered moot, and were not taken into account by the Governing Council, and

7. Requests the Executive Secretary to provide a copy of the report to the Secretary-General, to the Government of the Republic of Iraq and to each respective Government.

Annex III

Report and recommendations of the Panel of Commissioners concerning the eighth instalment of E3 claims*

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* Previously issued as document S/AC.26/1999/15.

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Introduction

1. The Governing Council of the United Nations Compensation Commission (the "Commission") appointed the present Panel of Commissioners (the "Panel"), composed of Messrs. Werner Melis (Chairman), David Mace and Sompong Sucharitkul, at its twenty-second session in October 1996 to review construction and engineering claims filed with the Commission on behalf of corporations and other legal entities in accordance with the relevant Security Council resolutions, the Provisional Rules for Claims Procedure (S/AC.26/1992/10) (the "Rules") and other Governing Council decisions. This report contains the recommendations to the Governing Council by the Panel, pursuant to article 38(e) of the Rules, concerning eighteen claims included in the eighth instalment. Each of the claimants seeks compensation for loss, damage or injury allegedly arising out of Iraq's 2 August 1990 invasion and subsequent occupation of Kuwait. The claims submitted to the Panel in this instalment and addressed in this report were selected by the secretariat of the Commission from among the construction and engineering claims (the "E3 Claims") on the basis of criteria established under the Rules.

I. PROCEDURAL HISTORY

A. The nature and purpose of the proceedings

2. The status and functions of the Commission are set forth in the report of the Secretary-General pursuant to paragraph 19 of Security Council resolution 689 (1991) dated 2 May 1991 (S/22559). Pursuant to that report, the Commission is a fact-finding body that examines claims, verifies their validity, evaluates losses, recommends compensation, and makes payment of awards.

3. The Panel has been entrusted with three tasks in its proceedings. First, the Panel determines whether the various types of losses alleged by the claimants are within the jurisdiction of the Commission. Second, the Panel verifies whether the alleged losses are in principle compensable and had in fact been incurred by a given claimant. Third, the Panel determines whether these compensable losses were incurred in the amounts claimed.

B. The procedural history of the claims in the eighth instalment

4. On 27 January 1999, the Panel issued the procedural order relating to the claims. None of the claims presented complex issues, voluminous documentation or extraordinary losses that would require the Panel to

classify any of the claims as unusually large or complex within the meaning of article 38(d) of the Rules. The Panel thus decided to complete its review of the claims within 180 days of 27 January 1999 pursuant to article 38(c) of the Rules.

5. The Panel performed a thorough and detailed factual and legal review of the claims. The Panel considered the evidence submitted by claimants in reply to requests for information and documents. It also considered Iraq's responses to the factual and legal issues raised in the twenty-fifth report of the Executive Secretary issued on 13 October 1998 in accordance with article 16 of the Rules.

6. After a review of the relevant information and documentation, the Panel made initial determinations as to the compensability of the loss elements of each claim. Pursuant to article 36 of the Rules, the Panel retained as its expert consultants accounting and loss adjusting firms, both with international and Persian Gulf experience to assist the Panel in the quantification of losses incurred in large construction projects. The Panel then directed its expert consultants to prepare comprehensive reports on each of the claims.

7. In drafting this report, the Panel has not included specific citations to restricted or non-public documents that were produced or made available to it for the completion of its work.

C. The claims

8. This report contains the Panel's findings for losses allegedly caused by Iraq's invasion and occupation of Kuwait with respect to the following claims:

(a) Arthur Erickson Associates Ltd., a corporation organized under the laws of Canada, which seeks compensation in the amount of US$187,235;

(b) General Arab Contracting Company, a public sector enterprise organized under the laws of the Arab Republic of Egypt, which seeks compensation in the amount of US$362,716;

(c) General Nile Company for Contractings, a publicly owned company organized under the laws of the Arab Republic of Egypt, which seeks compensation in the amount of US$257,867;

(d) BRL (Compagnie Nationale D'Aménagement de la Région du Bas-Rhône et du Languedoc), a corporation organized under the laws of the Republic of France, which seeks compensation in the amount of US$442,917;

(e) SODETEG S.A., a corporation organized under the laws of the Republic of France, which seeks compensation in the amount of US$2,866,691;

(f) J.M. Voith, a corporation organized under the laws of the Federal Republic of Germany, which seeks compensation in the amount of US$2,927,646;

(g) MCK Maschinenbau GmbH & Co. KG, a corporation organized under the laws of the Federal Republic of Germany, which seeks compensation in the amount of US$561,478;

(h) Salzgitter Anlagenbau, a corporation organized under the laws of the Federal Republic of Germany, which seeks compensation in the amount of US$3,424,117;

(i) Weidleplan Consulting GmbH, a corporation organized under the laws of the Federal Republic of Germany, which seeks compensation in the amount of US$305,993;

(j) Asia Foundations & Constructions Ltd., a corporation organized under the laws of India, which seeks compensation in the amount of US$3,665,427;

(k) Syndicate Engineering Co. (Bhilai) Private Ltd., a corporation organized under the laws of India, which seeks compensation in the amount of US$722,186;

(l) Driplex Water Engineering (International) Limited, a corporation organized under the laws of India, which seeks compensation in the amount of US$754,000;

(m) Recondo Limited, a corporation organized under the laws of India, which seeks compensation in the amount of US$2,540,000;

(n) Triveni Structurals Ltd., a corporation organized under the laws of India, which seeks compensation in the amount of US$1,400,964;

(o) Aurora Engineering, a partnership registered under the laws of India, which seeks compensation in the amount of US$9,200,142;

(p) Società Tecnica Internazionale SOTECNI S.p.A., a corporation organized under the laws of Italy, which seeks compensation in the amount of US$845,287;

(q) RO "BIM" Sv. Nikole, a state owned enterprise organized under the laws of the Republic of Macedonia, which seeks compensation in the amount of US$736,505; and

(r) Sheppard Robson, a partnership organized under the laws of the United Kingdom of Great Britain and Northern Ireland, which seeks compensation in the amount of US$1,353,692.

II. LEGAL FRAMEWORK

A. Applicable law

9. As set forth in paragraphs 16-18 and 23 of the "Report and Recommendations Made by the Panel of Commissioners Concerning the First Instalment of 'E3' Claims (S/AC.26/1998/13) (the "First Report"), the Panel determined that paragraph 16 of Security Council resolution 687 (1991) reaffirmed the liability of Iraq and defined the jurisdiction of the Commission. The Panel applied Security Council resolution 687 (1991), other relevant Security Council resolutions, decisions of the Governing Council, and, where necessary, other relevant rules of international law.

B. Liability of Iraq

10. As set forth in paragraph 16 of the "Report and Recommendations Made by the Panel of Commissioners concerning the Third Instalment of 'E3' Claims (S/AC.26/1998/R.33) (the "Third Report"), the Panel determined that "Iraq" as used in decision 9 (S/AC.26/1992/9) means the Government of Iraq, its political subdivisions, or any agency, ministry, instrumentality or entity (notably public sector enterprises) controlled by the Government of Iraq. At the time of Iraq's invasion and occupation of Kuwait, the Government of Iraq regulated all aspects of economic life other than some peripheral agriculture, services and trade.

order to establish with "reasonable certainty" a loss of profit claim, the Panel requires that a claimant submit not only the contracts and invoices related to the various projects, but also detailed financial statements, including audited statements where available, management reports, budgets, accounts, time schedules, progress reports, and a breakdown of revenues and costs, actual and projected for the project.

F. Date of loss

17. The Panel must determine "the date the loss occurred" within the meaning of Governing Council decision 16 (S/AC.26/1992/16) for the purpose of recommending compensation for interest and for the purpose of determining the appropriate exchange rate to be applied to losses stated in currencies other than in United States dollars. Where applicable, the Panel has determined the date of loss for each claim.

G. Interest

18. According to decision 16 (S/AC.26/1992/16), "[i]nterest will be awarded from the date the loss occurred until the date of payment, at a rate sufficient to compensate successful claimants for the loss of use of the principal amount of the award." In decision 16 the Governing Council further specified that "[i]nterest will be paid after the principal amount of awards," while postponing decision on the methods of calculation and payment of interest.

19. The Panel finds that interest shall run from the date of loss, or, unless otherwise established, on 2 August 1990.

H. Currency exchange rate

20. While many of the costs incurred by the claimants were denominated in currencies other than United States dollars, the Commission issues its awards in that currency. Therefore, the Panel is required to determine the appropriate rate of exchange to apply to losses expressed in other currencies.

21. The Panel finds that the exchange rate set forth in the contract is the appropriate rate for losses under the relevant contracts because this was specifically bargained for and agreed to by the parties.

22. For non-contractual losses, the Panel finds the appropriate exchange rate to be the prevailing commercial rate, as evidenced by the United

Nations Monthly Bulletin of Statistics on the date of loss, or, unless otherwise established, from 2 August 1990.

I. Evacuation losses

23. In accordance with paragraph 21(b) of decision 7 of the Governing Council, the Panel finds that the costs associated with evacuating and repatriating employees from Iraq between 2 August 1990 and 2 March 1991 are compensable to the extent that such costs are proven by the claimant. Compensable costs consist of temporary and extraordinary expenses relating to evacuation and repatriation, including transportation, food and accommodation.

J. Valuation

24. The Panel developed, with the assistance of the secretariat and the Panel's expert consultants, a verification program that addresses each loss item. The valuation analysis used by the Panel's expert consultants ensures clarity and consistency in the application of certain valuation principles to the construction and engineering claims.

25. After receipt of all claim information and evidence, the Panel's expert consultants applied the verification program. Each loss element was analysed individually according to a set of instructions. The expert consultants' analysis resulted in a recommendation of compensation in the amount claimed, an adjustment to the amount claimed, or a recomendation of no compensation for each loss element. In those instances where the Panel's expert consultants were unable to respond decisively, the issue was brought to the attention of the Panel for further discussion and development.

26. For tangible property losses, the Panel adopted historical cost minus depreciation as its primary valuation method.

27. Additionally, the Panel's expert consultants verified all calculations in a claim, including all calculations within the evidence submitted.

28. The Panel considered claim-specific reports prepared by the Panel's expert consultants. These reports include, but are not limited to:

(a) the claimant's name and identifying claim number;

(b) a table detailing the amount claimed and the amount for reclassified losses in United States dollars (or other currency shown on the claim form) by loss element and total;

(c) a brief description of the nature of the claimant's business and the project for which the claimant performed work, if any;

(d) the date that the claimant ceased work and the date that the claimant recommenced work, if known;

(e) an analysis of the evidence submitted and the basis of the valuation recommendation for each loss element; and

(f) a recommendation of compensation, if any, by category of loss and total for all categories, with explanatory comments.

K. Evidentiary requirements

29. Pursuant to article 35(3) of the Rules, corporate claims must be supported by evidence sufficient to demonstrate the circumstances and amount of the claimed loss. The Governing Council has made it clear in paragraph 5 of decision 15 that, with respect to business losses, there "will be a need for detailed factual descriptions of the circumstances of the claimed loss, damage or injury" in order to recommend compensation.

30. The category "E" claim form requires all corporations and other legal entities that have filed claims to submit with their claim form "a separate statement explaining its claim ('Statement of Claim'), supported by documentary and other appropriate evidence sufficient to demonstrate the circumstances and the amount of the claimed loss".

31. In those cases where the original submission of the claim inadequately supported the alleged loss, the secretariat prepared and issued a written communication to the claimant requesting specific information and documentation regarding the loss (the "claim development letter"). In reviewing the subsequent submissions, the Panel noted that in many cases the claimant still did not provide sufficient evidence to support its losses.

32. The Panel is required to determine whether these claims are supported by sufficient evidence and, for those that are so supported, must recommend the appropriate amount of compensation for each compensable claim element. The recommendations of the Panel are set forth below.

III. CLAIM OF ARTHUR ERICKSON ASSOCIATES LTD.

33. Arthur Erickson Associates Ltd ("Arthur Erickson") is a Canadian private limited company that is involved in supplying architectural, urban design and town planning services. Arthur Erickson seeks compensation in the amount of US$187,235 for contract losses.

Table 1. ARTHUR ERICKSON'S CLAIM

Claim element	Claim amount (US$)
Contract losses	187,235
Total	187,235

A. Contract losses

1. Facts and contentions

34. The stated losses relate to services provided to the Amanat al Assima on the Abu Nuwas Conservation/Development Project, a major urban design and planning study in Central Baghdad. Arthur Erickson seeks compensation in the amount of US$187,235 for unpaid invoices in respect of professional services provided and expenses incurred on the project. Arthur Erickson stated that it completed the provision of services on the project in 1983 and the Iraqi employer approved payment of this amount on 9 June 1983.

2. Analysis and valuation

35. The Panel finds that the performance that created the debt in question was completed by 1983.

36. The Panel has defined the "arising prior to" clause in paragraph 16 of Security Council resolution 687 (1991) to limit the jurisdiction of the Commission to exclude debts of the Government of Iraq if the performance relating to that obligation took place prior to 2 May 1990. The Panel finds that the contract losses stated by Arthur Erickson relate entirely to work that was performed prior to 2 May 1990.

37. The claim for contract losses is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991).

38. The Panel finds that Arthur Erickson did not submit sufficient evidence to support its claim for contract losses. The only evidence Arthur Erickson provided is two English translations of a transfer instruction dated 9 January 1984 and issued by the Iraqi employer to the Central Bank of Iraq for the payment of the claimed amount to Arthur Erickson. Arthur Erickson did not provide copies of the contract and copies of applications for payment, approved payment certificates, interim certificates, progress reports, invoices and payments received in support of its asserted losses.

3. Recommendation

39. The Panel recommends no compensation for contract losses.

B. Recommendation for Arthur Erickson

Table 2. RECOMMENDED COMPENSATION FOR ARTHUR ERICKSON

Claim element	Claim amount (US$)	Recommended compensation (US$)
Contract loss	187,235	nil
Total	187,235	nil

40. Based on its findings regarding Arthur Erickson's claim, the Panel recommends no compensation.

IV. CLAIM OF GENERAL ARAB CONTRACTING CO.

41. General Arab Contracting Co. ("General Arab") is an Egyptian public sector company engaged in the provision of construction services. General Arab seeks compensation in the amount of US$362,716 for the loss of the Iraqi dinar balance in its accounts with the Al-Rashid Bank in Baghdad and interest. This amount takes into account additional interest in the amount of US$154,197 sought by General Arab in its reply to the claim development letter.

Table 3. GENERAL ARAB'S CLAIM

Claim element	Claim amount (US$)
Iraqi Bank accounts	89,123
Interest	273,593
Total	362,716

A. Iraqi bank accounts

42. General Arab seeks compensation of US$89,123 for the loss of its accounts with two branches of the Al-Rashid Bank. General Arab held ID133 with the main branch in Account no. 31293 and ID27,641 with the Arkhita branch in Account no. 8801. General Arab stated that these amounts were convertible to US dollars, "according to the approval of the concerned contracting parties at the official rate in the amount of 3.208889 American Dollars per Iraqi Dinar".

43. General Arab provided copies of balance statements for account number 31293 which recorded a credit balance of ID132.962 on 28 August 1988 and for account with Al-Rashid Bank which recorded a balance of ID27,722.922 on 22 February 1990. General Arab also submitted two letters dated 29 February 1988 and 14 January 1990 sent by the Iraqi Ministry of Housing and Construction to the Central Bank of Iraq which authorized the transfer of various amounts for completed projects to the General Arab's accounts with the National Bank of Kuwait and Al-Rashid Bank respectively. Finally, General Arab also submitted a letter sent by the Central Bank of Iraq to Al-Rashid Bank in which the Central Bank informs the latter that it has "no objection - as far as concerning the transfer abroad - against your transferring the equivalent in U.S. dollars of the amount of Iraqi Dinars 18000 (only eighteen thousand Iraqi Dinars), for the account of the Arab Contracting Company/Egyptian, representing the amount of the final payment

for the construction Project of the Police Warehouses Directorate - Second and Third Phases."

44. The Panel finds that General Arab has proved the existence of the two accounts with Al-Rashid Bank. General Arab also submitted evidence that would indicate that Al-Rashid Bank and the Central Bank of Iraq were authorized to transfer the United States dollar equivalent of various Iraqi dinar amounts abroad to the account of General Arab. However, the amounts authorized for transfer do not match the amount of ID27,773.884 which is the amount General Arab stated it held in the accounts and for which it seeks compensation. Further, General Arab submitted no evidence that the transfers were prevented by Iraq's invasion and occupation of Kuwait. Finally, General Arab did not demonstrate that the accounts are no longer in existence or that it has been denied access to the funds.

45. In addition, the Panel finds that General Arab did not explain the difference between the United States dollar amounts authorized for transfer out of Iraq and the claimed amount. Accordingly, General Arab did not demonstrate how the transfer was prevented by Iraq's invasion and occupation of Kuwait.

46. The Panel recommends no compensation for loss of funds in Iraqi bank accounts.

B. Interest

47. As the Panel recommends no compensation for the loss of funds in Iraqi bank accounts, there is no need for the Panel to determine the date of loss from which interest would accrue.

C. Recommendation for General Arab Contracting Co.

Table 4. RECOMMENDED COMPENSATION FOR GENERAL ARAB CONTRACTING CO.

Claim element	Claim amount US$)	Recommended compensation (US$)
Iraqi Bank accounts	89,123	nil
Interest	273,593	nil
Total	362,716	nil

48. Based on its findings regarding General Arab's claim, the Panel recommends no compensation.

V. CLAIM OF GENERAL NILE CO. FOR CONTRACTINGS

49. General Nile Co. For Contractings ("General Nile"), an Egyptian company, submitted only the category "E" claim form, a statement of claim and untranslated documents in support of its stated losses. General Nile seeks compensation in the amount of US$257,867 for losses relating to its current account with the Al-Raifidin Bank and interest.

50. On 1 July 1998, General Nile was sent a notification under article 15 of the Rules requesting it to comply with the formal requirements for filing a claim. General Nile was requested to reply on or before 31 December 1998. General Nile did not submit a reply. On 6 January 1999, General Nile was sent a formal notification of the deficiencies of its claim as filed. The deadline for General Nile to reply was 5 March 1999. General Nile did not reply.

51. On 16 July 1998, General Nile was sent a claim development letter in which it was informed that further information and documentation was required for the Panel to decide whether the claim is eligible for compensation. General Nile was requested to submit a reply on or before 16 November 1998. General Nile did not reply. On 30 November 1998, General Nile was sent a communication by the secretariat requesting General Nile to reply to the claim development letter on or before 14 December 1998. General Nile did not reply.

52. The Panel finds that General Nile did not submit sufficient information or documentation to support its asserted losses.

53. Based on its findings regarding General Nile's claim, the Panel recommends no compensation for General Nile.

VI. CLAIM OF BRL (COMPAGNIE NATIONALE D'AMÉNAGEMENT DE LA RÉGION DU BAS-RHÔNE ET DU LANGUEDOC)

54. BRL (Compagnie Nationale D'Aménagement de la Région du Bas-Rhône et du Languedoc) ("BRL") is a publicly owed French corporation involved in consultancy services relating to hydraulic engineering and irrigation systems. The Claimant seeks compensation of US$442,917 for contract losses and interest. This amount takes into account additional interest in the amount of US$20,225 sought by BRL in its reply to the claim development letter.

55. In the "E" claim form, BRL appeared to have asserted a loss related to real and tangible property. However, BRL did not made any further references to such claim elements in any other documents submitted with its claim. BRL stated in the claim form that the tangible property "is not valued". A claim development letter was sent to BRL to clarify whether BRL was seeking compensation for loss of real and tangible property and if so, to request BRL to submit information and documentation sufficient to support its asserted losses.

56. In its reply to the claim development letter, BRL noted that the real and tangible property was "not valued" and was "miscellaneous". The Panel finds that BRL has not, therefore, incurred losses in respect of real or tangible property and its claim in these respects is not compensable.

Table 5. BRL'S CLAIM

Claim element	Claim amount (US$)
Contract losses	308,782
Interest	134,135
Total	442,917

A. Contract losses

1. Facts and contentions

57. In the early 1980's, BRL was retained by the Euphrates Center for Studies & Design of Irrigation Projects ("ECSDIP") in Iraq with respect to the Qurt Kurna and East Gharraf projects.

58. It would appear from the evidence submitted by BRL that the provision of services on both projects was completed at different times in 1986 following a series of delays. Delays by BRL in furnishing a final planning

report in respect of each of the projects resulted in a dispute between the parties. ECSDIP insisted that penalties be levied under the contract in respect of the delays. BRL denied that there were any such delays. A few years later, ECSDIP and BRL resolved their differences and reached agreement in principle in April 1990. Pursuant to the terms of the agreement, BRL would be retroactively afforded an extension from 20 August 1982 to 30 May 1986 for the Qurt Kurna project and an extension from 30 November 1983 to 28 October 1986 in respect of the East Gharraf project. ECSDIP agreed to this settlement on condition that BRL would not make a claim arising out of these extensions. It was contemplated that the final bills for the projects would be settled on this basis. BRL stated that it intended to send a representative to Iraq to sign the final settlement but was prevented from doing so by Iraq's invasion and occupation of Kuwait.

2. Analysis and Valuation

59. The Panel finds that the services performed by BRL were completed in 1986, and that the contract losses stated by BRL relate entirely to work that was performed prior to 2 May 1990.

60. The claim for contract losses is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991).

61. The Panel further finds that the agreement concluded in principle between BRL and ECSDIP (subject to signing by both parties) with regard to settlement of the final bills did not have the effect of novating the debt for the purpose of Security Council resolution 687 (1991).

62. The Panel finds that BRL did not submit sufficient evidence to support its claim for contract losses. The only evidence provided by BRL is a copy of the proposal for a final settlement together with two telexes which confirm the final settlement in principle subject to signing by the parties. BRL did not provide a copy of the contract and copies of applications for payment, approved payment certificates, interim certificates, progress reports invoices and actual payments received.

3. Recommendation

63. The Panel recommends no compensation for contract losses.

B. Interest

64. As the Panel recommends no compensation for contract losses, there is no need for the Panel to determine the date of loss from which interest would accrue.

C. Recommendation for BRL

Table 6. RECOMMENDED COMPENSATION FOR BRL

Claim element	Claim amount (US$)	Recommended compensation (US$)
Contract losses	308,782	nil
Interest	134,135	nil
Total	442,917	nil

65. Based on its findings regarding BRL's claim, the Panel recommends no compensation.

VII. CLAIM OF SODETEG S.A.

66. SOCIETE D'ETUDES TECHNIQUES ET D'ENTERPRISES GENERALES S.A. ("SODETEG") is a French corporation that is involved in the provision of project management and construction services. SODETEG seeks compensation in the amount of US$2,866,691 to satisfy an arbitral award dated 28 June 1993 based on a contract dispute with its Iraqi employer.

A. Contract losses

1. Facts and contentions

67. SODETEG entered into a contract on 10 February 1975 with the Ministry of Industry, the State Organization for Industrial Design and Construction ("SOIDC") for the construction of a plant to produce powdered baby milk in Abu-Ghraib, Iraq.

68. A number of disputes subsequently arose between the SODETEG and SOIDC concerning performance of the contract and eventually SOIDC withheld payments under the contract, withdrew the contract and called the outstanding letters of guarantee. On 6 December 1985, SODETEG submitted a request for arbitration to the International Court of Arbitration of the International Chamber of Commerce, Paris ("ICC") pursuant to the contract. On 28 June 1993, the ICC arbitral tribunal to which the dispute was submitted awarded SODETEG damages of FRF13,064,066 (US$2,492,191) together with interest accrued thereon against both SOIDC and the Ministry of Industry of Iraq. The ICC arbitral tribunal also awarded SODETEG the amount of US$374,500 in respect of arbitration costs and bank guarantee commissions paid by SODETEG for the defendant's advance on costs.

69. SODETEG contended that it did not succeed in recovering the amounts awarded under the award of the ICC arbitral tribunal as a result of "allied military operations in Iraq". SODETEG contended that the baby milk plant that was constructed under the contract was completely destroyed. The destruction of the plant together with the trade embargo have rendered the defendants to the ICC arbitration a "worthless shell". Accordingly, even if the embargo was lifted and it was possible for SODETEG to seize the defendant's assets, the latter would not have sufficient assets to satisfy the ICC arbitral award.

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2. Analysis and valuation

70. The Panel finds that it is not the purpose of the Commission to afford claimants an alternative source of funds to satisfy arbitral awards or court judgements rendered against Iraq in other fora.

3. Recommendation

71. The Panel recommends no compensation for contract losses.

B. Interest

72. As the Panel recommends no compensation for contract losses, there is no need for the Panel to determine the date of loss from which interest would accrue.

C. Recommendation for SODETEG

73. Based on its findings regarding SODETEG's claim, the Panel recommends no compensation.

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VIII. CLAIM OF J.M. VOITH GMBH

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74. J.M. Voith GmbH ("Voith"), a German construction company, seeks compensation in the amount of US$513,628 for contract losses and interest. Voith also seeks compensation in the amount of US$2,414,018 for what it described in the statement of claim as a "Subsidiary Motion". The latter amount takes into account additional interest in the amount of US$111,848 sought by Voith in its reply to the claim development letter.

Table 7. VOITH'S CLAIM

Claim element	Claim amount (US$)
Contract losses	306,316
Interest	207,312
"Subsidiary Motion"	2,414,018
Total	2,927,646

A. Contract losses and "Subsidiary Motion"

1. Facts and contentions

75. Under a contract dated 12 November 1981, Voith agreed to supply components for Kaplan-bulb-turbines together with auxiliary equipment for the Sadam Dam Project (formerly known as "Mosul Dam Project") in Iraq. Voith did not supply a copy of the contract, despite being specifically requested to do so in the claim development letter. Voith stated that it was a nominated subcontractor to the 'International Supply Consortium' ("ISC") led by Elin Energieerzeugung AG of Vienna, Austria. The main contract would appear to have been concluded by ISC with the State Commission on Dams.

76. In 1983 and 1984, Voith delivered about one half of the components for four bulb turbines.

77. Payment by Iraq for the components supplied by Voith was financed pursuant to a loan agreement. A loan was granted to Iraq by AKA Ausfuhrkredit-Gesellschaft mbH ("AKA"). According to the loan agreement, Iraq was obliged to pay 10 per cent of the foreign currency portion of all payments due to Voith. The remaining 90 per cent of the foreign currency net maturities due to Voith was financed by AKA in DM. Payments to Voith were effected directly upon the signing and handing over of so-called 'disbursement certificates'. Risk on seventy five per cent of the loan

amount was borne by Hermes Kreditversicherungs-AG ("Hermes"), the German export credit insurance corporation. Risk on the remaining 25 per cent was borne by AKA as a self-insured risk. However, AKA's risk was borne entirely by Voith by means of an exporters' guarantee signed in favor of AKA.

78. Disbursements under the loan were held up for some years because Iraq had not provided a number of certificates required by AKA. Eventually, at a meeting on 25 June 1990, Iraq signed the relevant certificates. At the same meeting, Voith was assured by Iraq it would soon receive payment of the cash portion of DM478,465.02 due to it.

79. Voith stated that AKA disbursed the outstanding amounts under the loan in mid-July 1990. However, Voith was not paid the 10 per cent cash portion. Voith contends that this was a direct result of the invasion and occupation of Kuwait as it expected to receive payment in August 1990.

80. Hermes compensated AKA for 75 per cent of its losses on the loan, and Voith paid AKA the remaining twenty five per cent in the amount of DM3,770,695.67. Although it received payment, AKA seeks compensation from the Commission under a separate claim for the latter amount. Voith seeks compensation of DM3,770,695.67 by way of a "Subsidiary Motion" in respect the amount paid to AKA in the event AKA's claim is not recommended for compensation.

2. Analysis and valuation

(a) Contract losses

81. Voith seeks compensation of US$306,316 for contract losses. The amount of the contract losses represents the cash portion due under the terms of the loan agreement which Iraq has failed to discharge.

82. The Panel finds that the claim for contract losses, although arising from Iraq's alleged breach of the terms of the loan agreement, is based on the delivery of goods prior to 2 May 1990.

83. Voith failed to supply a copy of the contract which governs the delivery of the components despite being specifically requested to do so in the claim development letter. Hence, it is not possible to determine if Iraq was a party to the contract. By its own admission, however, Voith was a nominated subcontractor and as such had "a direct payment demand against Iraq". Accordingly, the Panel finds that Voith had a contract with Iraq for

the purposes of the "arising prior to" clause in paragraph 16 of Security Council Resolution 687 (1991).

84. The Panel, therefore, finds the claim for contract losses is outside the jurisdiction of the Commission and is not compensable.

85. The Panel finds that Voith did not submit sufficient evidence to support its claim for contract losses. The only evidence provided by Voith is the minutes of the meeting held on 25 June 1990 at which the settlement was reached regarding the loan agreement, an invoice dated 20 June 1990 recording the total amount due under the contract as well as the amount of the 10 per cent cash payment. The remainder of the evidence consists of correspondence with AKA and supporting documentation in respect of the loan agreement. Voith did not provide a copy of the contract or a copy of the loan agreement and copies of applications for payment, approved payment certificates, interim certificates, progress reports invoices and actual payments received.

(b) "Subsidiary Motion"

86. The Panel finds that it does not have jurisdiction over contingent claims. In addition, the Panel finds that Voith has not incurred a loss as its "Subsidiary Motion" is merely contingent upon another claim, and therefore, Voith's claim in this respect is not compensable.

3. Recommendation

87. The Panel recommends no compensation for contract losses and the "Subsidiary Motion".

B. Interest

88. As the Panel recommends no compensation for contract losses and the "Subsidiary Motion", there is no need for the Panel to determine the date of loss from which interest would accrue.

C. Recommendation for Voith

Table 8. RECOMMENDED COMPENSATION FOR VOITH

Claim element	Claim amount (US$)	Recommended compensation (US$)
Contract losses	306,316	nil
Interest	207,312	nil
"Subsidiary Motion"	2,414,018	nil
Total	2,927,646	13,425,933

89. Based on the its findings regarding Voith's claim, the Panel recommends no compensation.

IX. CLAIM OF MCK MASCHINENBAU GMBH & Co. KG

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90. MCK Maschinenbau GmbH & Co. KG ("MCK") is a German corporation that is involved in grain, fruit and seed processing. MCK is seeking compensation in the amount of US$561,478 for contract losses, financial losses and interest.

Table 9. MCK'S CLAIM

Claim element	Claim amount (US$)
Contract losses	194,901
Financial losses	193,272
Interest	173,305
Total	561,478

A. Contract losses

1. Facts and contentions

91. In 1980, MCK entered into two contracts with the General Establishment for State Farms in Iraq for the supply of five sheds for grain storage and distribution (the "sheds contract") and for the construction of a seed processing plant (the "seed plant contract") respectively.

92. MCK completed work on the sheds contract and the Final Acceptance Certificate was granted in or around 1984. MCK attempted to finalize the remaining documentation with a view to obtaining final payment of US$136,379. MCK did not receive payment of this amount. In 1987, the Iraqi employer purported to annul the original terms of the contract and replace them with new ones. It requested MCK to resubmit the documentation to obtain payment. MCK complied with that request and, according to the statement of claim, Iraq "released payment of the remainder with the Bank of Iraq to be scheduled for payment". However, MCK did not receive actual payment of the outstanding amount.

93. Work on the seed plant contract was disrupted as a result of the Iran-Iraq war. However, by 1988 MCK completed work on the plant. The Final Acceptance Certificate was issued in 1989 and the performance bond was returned "untouched" the following year. According to the statement of claim, Iraq "released payment of the remainder with the Bank of Iraq to be

scheduled for payment". However, MCK did not receive actual payment of the outstanding amount of US$58,522.

94. By the middle of June 1990, MCK was informed by the Iraqi employer that it would be difficult to achieve payment of the two outstanding amounts, and it was suggested that MCK should rely instead on the performance bond.

95. MCK received partial compensation from the German export credit insurance corporation, Hermes Kreditversicherungs-AG ("Hermes") in respect of the seed plant contract. MCK received no compensation from Hermes in respect of the sheds contract.

2. Analysis and valuation

96. The Panel finds that the contract losses stated by MCK relate entirely to work that was performed prior to 2 May 1990.

97. The claim for contract losses is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991).

98. The Panel finds that MCK did not submit sufficient evidence to support its claim for contract losses. The only evidence provided by MCK is copies of the seed plant contract and a number of invoices and telexes sent by MCK to the Iraqi employer requesting payment of the outstanding sums. MCK omitted to submit a copy of the sheds contract, and a copy of applications for payment, approved payment certificates, interim certificates, progress reports and payments received.

3. Recommendation

99. The Panel recommends no compensation for contract losses.

B. Financial losses

1. Facts and contentions

100. MCK seeks compensation in the amount of US$193,272 for financial losses incurred for what MCK described in its statement of claim as "an efficient move of the proper Iraq quarters". These financial losses include fees paid to an Iraqi lawyer and customs payments. The purpose or recipients of other payments, such as "initiation of activities" is not clear. However, all the losses related to attempts by MCK to obtain payment of the final amounts due under the seed plant contract.

2. Analysis and valuation

101. The Panel finds that the expenses were incurred in MCK's attempts to recover part of the amounts claimed as contract losses. The claim for expenses, therefore, is ancillary to the claim for contract losses. The Panel recommends no compensation for the claimed expenses as the underlying claim for contract losses is not compensable (*auxiliarium pricipali sequitur*).

3. Recommendation

102. The Panel recommends no compensation for financial losses.

C. Interest on contract losses

103. As the Panel recommends no compensation for contract losses, there is no need for the Panel to determine the date of loss from which interest would accrue.

D. Recommendation for MCK

Table 10. RECOMMENDED COMPENSATION FOR MCK

Claim element	Claim amount (US$)	Recommended compensation (US$)
Contract losses	194,901	nil
Financial losses	193,272	nil
Interest	173,305	nil
Total	561,478	nil

104. Based on its findings regarding MCK's claim, the Panel recommends no compensation.

X. CLAIM OF SALZGITTER ANLAGENBAU

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105. Salzgitter Anlagenbau ("Salzgitter") is a German corporation that is involved in the provision of consulting, construction and engineering services and the manufacture and supply of machinery and components. Salzgitter seeks compensation in the amount of US$3,424,117 for contract losses and interest.

106. Salzgitter received compensation of US$2,651,051 from the German export credit insurance company, Hermes Kreditversicherungs-AG ("Hermes"). However, Salzgitter did not deduct that amount from the amount claimed for contract losses.

Table 11. SALZGITTER'S CLAIM

Claim element	Claim amount (US$)
Contract losses	3,313,814
Interest	110,303
Total	3,424,117

A. Contract losses

1. Facts and contentions

107. On 2 February 1981, Salzgitter (then "Salzgitter Industrie-Technik GmbH") entered into a 'turnkey' contract with the Ministry of Industry and Minerals and the State Organization for Construction Industries for the construction and maintenance of a Brick Plant at Suwaira in Iraq.

108. The value of the contract was DM116,853,207 (US$74,809,992). All amounts due under the contract were paid to Salzgitter with the exception of the final 5 per cent of the contract. This amount would appear to represent retention monies payable under the contract.

109. According to Salzgitter, the work was completed by November 1982. The contract provided that a Provisional Acceptance Certificate would issue on completion, and following a one year maintenance period, the Final Acceptance Certificate would issue. The Final Acceptance Certificate was issued on 10 December 1984. However, in order to recover payment of the final 5 per cent amount, a number of clearing certificates from various Iraqi departments were required to be furnished under the contract. There

was some delay in obtaining the certificates, but they were eventually submitted by Salzgitter on 3 September 1985.

110. In the meantime, Iraq passed a new law which required the submission of a further clearing certificate from the customs authorities for release of final payment. Salzgitter experienced grave difficulties in obtaining the certificate. Salzgitter raised objections to the requirement with the Iraqi employer both directly and through diplomatic channels but to no avail.

111. In April 1990, Salzgitter finally succeeded in obtaining the certificate. Salzgitter stated that the Iraqi employer instructed the Central Bank of Iraq to make the final payment to the claimant in May 1990 but as result of the invasion and occupation of Kuwait, this payment was never received by the claimant.

2. Analysis and valuation

112. The Panel finds that the contract losses stated by Salzgitter relate entirely to work that was performed prior to 2 May 1990. Accordingly, the claim for contract losses is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991).

113. The Panel finds that Salzgitter did not submit sufficient information to support its claim for contract losses. The only evidence provided by Salzgitter is a copy of the contract, a copy of a demand for payment dated 14 January 1985 and the letter of credit under which the contractual payments were financed. Salzgitter did not provide copies of either the provisional or the final acceptance certificates, invoices and actual payments received.

3. Recommendation

114. The Panel recommends no compensation for contract losses.

B. Interest on contract losses

115. As the Panel recommends no compensation for contract losses, there is no need for the Panel to determine the date of loss from which interest would accrue.

C. Recommendation for Salzgitter

Table 12. RECOMMENDED COMPENSATION FOR SALZGITTER

Claim element	Claim amount (US$)	Recommended compensation (US$)
Contract losses	3,313,814	nil
Interest	110,303	nil
Total	3,424,117	nil

116. Based on its findings regarding Salzgitter's claim, the Panel recommends no compensation.

XI. CLAIM OF WEIDLEPLAN CONSULTING GMBH

117. Weidleplan Consulting GmbH ("Weidleplan") is a German corporation that is involved in the performance of all types of planning and design commissions, including the provision of consultancy and construction management services. Weidleplan seeks compensation in the amount of US$305,993 for contract losses and interest.

118. Weidleplan received compensation of US$169,759 from the German export credit insurance company, Hermes Kreditversicherungs-AG ("Hermes"). Weidleplan claims for the balance of the alleged contract losses for which it received no compensation.

Table 13. WEIDLEPLAN'S CLAIM

Claim element	Claim amount (US$)
Contract losses	203,380
Interest	102,613
Total	305,993

A. Contract losses

1. Facts and contentions

119. On 19 August 1981, Weidleplan entered into a contract with the State Organization for Roads and Bridges for the supply of professional engineering services in respect of the design, construction, operation and maintenance of the Mosul International and Erbil National Airports. Weidleplan was retained to provide design work and preparation of contract documentation, and construction management services.

120. The documentary evidence submitted by Weidleplan suggests that Weidleplan had completed the design work and contract documentation by 1987. Sometime at the beginning of 1990, the Iraqi Government informed Weidleplan that it had decided not to proceed with the construction of the airport.

121. On the 24 September 1990, Weidleplan concluded an agreement with the Iraqi employer for settlement of the outstanding amount due. The amount of the settlement was ID127,355 with 60 per cent payable in foreign currency and 40 per cent payable in local currency. The remainder of the contract, in so far as the provision of construction management services were concerned, was terminated.

2. Analysis and valuation

122. The Panel finds that the contract losses stated by Weidleplan relate entirely to services that were rendered prior to 2 May 1990.

123. The Panel finds that the settlement agreement of 24 September 1990 did not have the effect of novating the debt for the purpose of Security Council resolution 687 (1991).

124. The claim for contract losses is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991).

125. The Panel finds that Weidleplan did not submit sufficient evidence to support its claim for contract losses. The only evidence provided by Weidleplan was an incomplete copy of the contract, a copy of the settlement agreement and copies of correspondence with Hermes relating to the claimant's application for payment of compensation from Hermes. Weidleplan did not provide copies of applications for payment, approved payment certificates, interim certificates, progress reports, invoices and payments received in support of its asserted losses.

3. Recommendation

126. The Panel recommends no compensation for contract losses.

B. Interest on contract losses

127. As the Panel recommends no compensation for contract losses, there is no need for the Panel to determine the date of loss from which interest would accrue.

C. Recommendation for Weidleplan

Table 14. RECOMMENDED COMPENSATION FOR WEIDLEPLAN

Claim element	Claim amount (US$)	Recommended compensation (US$)
Contract losses	203,380	nil
Interest	102,613	nil
Total	305,993	nil

128. Based on its findings regarding Weidleplan's claim, the Panel recommends no compensation.

XII. CLAIM OF ASIA FOUNDATIONS AND CONSTRUCTIONS LIMITED

129. Asia Foundations and Constructions Limited ("Asia Foundations") is an Indian construction company that specializes in the construction of bridges. Asia Foundations seeks compensation in the amount of US$3,665,427 for contract losses and the loss of funds held in an Iraqi bank account.

Table 15. ASIA FOUNDATIONS' CLAIM

Claim element	Claim amount (US$)
Contract losses	3,472,328
Iraqi bank account	193,099
Total	3,665,427

A. Contract losses

1. Facts and contentions

130. Asia Foundations seeks compensation for contract losses in relation to four contracts concluded with various Iraqi entities in 1979 and 1980, as follows:

(a) Construction of a Road Bridge on Euphrates River at Shanafia, Iraq;

(b) Deflector Wall at Earthen Dyke along River Diala near Saadiya;

(c) Construction of Pre-Stressed Concrete Bridges on Baghdad-Mosul S.G. Line; and

(d) Three Railway Bridges across the Euphrates River, Warrar Inlet and Tuban Outlet.

131. The employers under the various contracts were the State Organization for Roads and Bridges, Iraqi Republic Railways Organization - Ministry of Transport and Communication, and the State Construction Contracting Company. Hence, there is a presumption that the contracts were with Iraq.

132. The contract losses comprise loss of deferred receivables in respect of the Shanafia and Pre-stressed Concrete Bridges contracts, loss of retention monies under the Shanafia, Pre-stressed Concrete Bridges and the

Deflector walls contracts and loss of final monies in respect of the Three Railway Bridges contract.

2. Analysis and valuation

133. Asia Foundations did not state the date or dates on which the work performed under the contracts was completed. However, Asia Foundations entered the contracts in 1979 and 1980, and according to the evidence submitted with the claim, the Iraqi branch of Asia Foundations went into liquidation in 1989. From this evidence, the Panel draws the inference that all work under the contracts was completed prior to 2 May 1990. Accordingly, the claim relates entirely to work that was completed prior to 2 May 1990 and is not within the jurisdiction of the Commission.

134. The Panel finds that the deferred payment agreement - in so far as it related to the contract losses - does not constitute a new agreement for the purposes of the Commission, but merely is an arrangement for deferred payment of the existing obligations of Iraq arising prior to 2 August 1990.

135. The Panel finds that Asia Foundations did not submit sufficient information to support its claim for contract losses. The only evidence provided by Asia Foundations is copies of three of the contracts and a letter of agreement regarding the Shanifia contract. Apart from this evidence, Asia Foundations has submitted correspondence received from the Export-Import Bank of India as proof of the outstanding deferred receivables and copies of some of its accounts and certified accountant certificates in respect of the other contract losses. It did not provide copies of the fourth contract and applications for payment, approved payment certificates, interim certificates, progress reports, invoices and actual payments received.

3. Recommendation

136. The Panel recommends no compensation for contract losses.

B. Iraqi bank account

137. Asia Foundations maintained account number 31370 with the Raifidin Bank. The balance as at 31 December 1989 was ID57,167 (US$193,099).

138. The Panel finds that Asia Foundations did not submit sufficient information or documentation to support its asserted losses. Asia Foundations only submitted copies of a letter received from the bank confirming the balance on the account and statements prepared by Asia Foundations recording transactions on the account and the balance thereof up to 31 December 1989. Asia Foundations did not demonstrate that the account is no longer in existence or that Asia Foundations was denied access to the funds. Further, Asia Foundations did not demonstrate that Iraq was under a contractual or other specific duty to exchange those funds for convertible currencies and to authorize the transfer of the converted funds out of Iraq. Finally, Asia Foundations did not demonstrate that this exchange and transfer was prevented by Iraq's invasion and occupation of Kuwait.

C. Recommendation for Asia Foundations

Table 16. RECOMMENDED COMPENSATION FOR ASIA FOUNDATIONS

Claim element	Claim amount (US$)	Recommended compensation (US$)
Contract losses	3,472,328	nil
Iraqi Bank Account	193,099	nil
Total	3,665,427	nil

139. Based on its findings regarding Asia Foundations' claim, the Panel recommends no compensation.

XIII. CLAIM OF SYNDICATE ENGINEERING COMPANY (BHILAI) PRIVATE LTD.

140. Syndicate Engineering Company (Bhilai) Private Ltd. ("Syndicate") is an Indian company that is involved in the provision of construction and engineering services. Syndicate seeks compensation in the amount of US$722,186 for contract losses.

Table 17. SYNDICATE'S CLAIM

Claim element	Claim amount (US$)
Contract losses	722,186
Total	722,186

A. Contract losses

1. Facts and contentions

141. Syndicate entered into two contracts dated the 3 November 1982 and 21 December 1983 for the construction of a car park complex, a college of education and a supermarket in Baghdad (the "first contract"), and an external water supply and sewerage system for a housing project at Diala, Baquba (the "second contract"). The first contract was a subcontract with a Kuwaiti contractor, Al-Sanea General Contracting Company. The second contract was with the Ministry of Heavy Industry.

142. Syndicate completed work on both projects and Final Acceptance Certificates were issued in respect of each project in 1985. In order to obtain final payment, Syndicate was obliged to complete a number of formalities in Iraq, such as obtaining clearance certificates relating to social security and income tax.

143. Syndicate continued to pursue payment of the outstanding amounts due under the contracts until 1990. Syndicate contended that it was disrupted in its efforts as a result of Iraq's invasion and occupation of Kuwait which resulted in nonpayment of the outstanding sums.

144. The claim for contract losses in respect of the first contract relates to final payments and retention monies. These amounts are denominated in Iraqi dinars (30 per cent), i.e. ID67,218 (US$215,100) and Kuwaiti dinars (70 per cent), i.e. KD116,888 (US$389,240) respectively.

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145. The claim for contract losses in respect of the second contract relates to an outstanding final bill of US$117,846.

2. Analysis and valuation

(a) First contract (with Kuwaiti contractor)

146. The documents submitted by Syndicate include a copy of subcontract dated 3 November 1982, a letter dated 17 November 1987 from the Kuwaiti contractor acknowledging as due the claimed amounts and correspondence addressed to the Kuwaiti employer, the Iraqi employer (under the main contract) and to the Indian Embassy in Baghdad seeking payment of the outstanding amounts. Syndicate did not provide a copy of the main contract.

147. The Panel finds that Syndicate did not demonstrate that its losses under the first contract were the direct result of Iraq's invasion and occupation of Kuwait. Work on the first contract was completed approximately 5 years before Iraq's invasion and occupation of Kuwait. Syndicate failed to demonstrate that the failure of the Kuwaiti contractor to pay the amounts due and owing was attributable to the Kuwaiti contractor being rendered insolvent or liquidated as a direct result of Iraq's invasion and occupation of Kuwait.

148. The Panel recommends no compensation for final payments and retention monies under first contract.

(b) Second contract (with Iraqi employer)

149. The Panel finds that the contract losses under the second contract stated by Syndicate relate entirely to work that was performed prior to 2 May 1990. The Panel also finds that as the second contract was, for the reasons stated in paragraph 11, with Iraq. Accordingly, the claim for contract losses in respect of the second contract is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991).

150. The Panel finds that Syndicate did not submit sufficient evidence to support its asserted losses. The only evidence provided by Syndicate is a copy of the contract as well as variations to the tender documentation that formed part of the contract. Syndicate also submitted one letter of demand addressed to the Iraqi employer under the second contract. Syndicate did not provide copies of applications for payment, approved payment

certificates, interim certificates, progress reports, invoices and payments received.

3. Recommendation

151. The Panel recommends no compensation for contract losses under the first and second contracts.

B. Recommendation for Syndicate

Table 18. RECOMMENDED COMPENSATION FOR SYNDICATE

Claim element	Claim amount (US$)	Recommended compensation (US$)
Contract losses	722,186	nil
Total	722,186	nil

152. Based on its findings regarding Syndicate's claim, the Panel recommends no compensation.

XIV. CLAIM OF DRIPLEX WATER ENGINEERING (INTERNATIONAL) LIMITED

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153. Driplex Water Engineering (International) Limited ("Driplex") is an Indian company that specializes in the construction and engineering of water treatment plants. Driplex seeks compensation in the amount of US$754,000 for contract losses, loss of tangible property and interest.

154. In its reply to the claim development letter, Driplex stated that it received compensation from the Government of India through the issue of 12.08 per cent bonds for the amount of INR2,566,242 (which Driplex contends is equivalent to US$81,727). The bonds are due to mature in 2001. The Government of India assigned the bonds on condition that Driplex assign its interest in all receivables to the Government of India.

Table 19. DRIPLEX'S CLAIM

Claim element	Claim amount (US$)
Contract losses	318,000
Tangible property losses	150,000
Interest	286,000
Total	754,000

A. Contract losses

1. Facts and contentions

155. Driplex entered into a contract dated 14 October 1981 with the State Establishment for Water and Sewage for the construction of a water treatment plant at the Al-Neshwa water supply scheme.

156. The contract works began on 9 December 1981. Driplex completed work on the project on 22 September 1984 and a Provisional Acceptance Certificate was issued on 29 December 1984. Driplex submitted a letter dated 9 February 1985 sent by the Iraqi employer to the Iraqi Income Tax office in which the Iraqi employer indicated its willingness to pay the final bill and the retention monies due under the contract subject to receiving the approval of that office.

157. The claim for contract losses is composed of three separate claims as follows:

(a) US$80,000 in respect of monies owed under a deferred payments agreement between India and Iraq dated 15 March 1984;

(b) US$88,000 in respect of a final bill and approved by the Iraqi employer by letter dated 9 February 1985 but not yet paid; and

(c) US$150,000 in respect of retention payments owed to Driplex under the contract approved by the Iraqi employer by letter dated 9 February 1985 but not yet paid.

158. Driplex contended that as a result of Iraq's invasion and occupation of Kuwait and the trade embargo imposed on Iraq it has been prevented from recovering contractual amounts owed to it and equipment it left behind in Iraq.

2. Analysis and valuation

159. The Panel finds that all three contract losses stated by Driplex relate entirely to work that was performed prior to 2 May 1990.

160. The Panel further finds that the inter-governmental deferred payment agreement of 15 March 1984, in so far as it related to the contract losses, did not have the effect of novating the debt for the purpose of Security Council resolution 687 (1991).

161. The claim for contract losses is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991).

162. The Panel finds that Driplex did not submit sufficient evidence to support its claim for contract losses. The only evidence provided by Driplex was an incomplete copy of a copy of the contract agreement and a letter of intent dated 14 October 1981. Driplex also submitted a letter from the Iraqi employer dated 9 February 1985 and addressed to the Iraqi Income Tax Department recommending payment of the final bill and retention monies, and two letters from Export and Import Bank of India dated 24 December 1992 and 19 May 1995 noting the balance of receivables held to the Driplex's credit with the Central Bank of Iraq. Driplex did not submit copies of applications for payment, approved payment certificates, interim certificates, progress reports, invoices and payments received.

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3. Recommendation

163. The Panel recommends no compensation for contract losses.

B. Loss of tangible property

164. Driplex seeks compensation in the amount of US$150,000 for loss of "inventories, and equipment" in Iraq, namely three vehicles and various items of machinery, furniture and fixtures. Driplex contended that these items had been procured in connection with the implementation of the contract with the intention that they would be used for other projects. Driplex did not state where the property was located in Iraq or the date it was allegedly lost.

165. In its original submission, Driplex had asserted that due to the trade embargo it was not possible to dispose of the "inventories and equipment laying at the project site in Iraq". In its reply to the claim development letter, Driplex stated that the property was lost due to the departure of its staff from Iraq who "had to leave Iraq in order to save their lives".

166. The asserted loss of "inventories and equipment" is supported only by two invoices for the three vehicles, confirmation of payment of the invoiced amounts from Driplex's bank and a certificate from an engineer which purports to certify the value of the machinery, furniture and fixtures at US$150,000. The invoices were issued by a Kuwaiti company to Driplex in 1983. They include in the invoiced amount, a charge for transporting two of the vehicles from Kuwait to Basra and the third vehicle from Kuwait to Neshwa respectively. The engineer's certificate does not provide the specific value of each item of property nor does it state where the property was located ultimately.

167. Driplex submitted no evidence to support its contention that its staff left Iraq at the time of the invasion and occupation of Kuwait. Further, Driplex did not explain why the property was still on site almost six years after work on the project was completed. Driplex submitted no evidence to support its statement that the machinery and vehicles were being used for another project or that there was another project ongoing at the time of Iraq's invasion and occupation of Kuwait.

168. The Panel finds that Driplex submitted insufficient evidence of ownership, age, cost or presence of either the vehicles or the machinery, furniture and fixtures in Iraq. Driplex submitted no evidence that the loss

of the property directly resulted from Iraq's invasion and occupation of Kuwait.

169. Finally, the Panel notes that the invoices for the vehicles were dated in 1983. Taking into consideration the likely age of the property, the Panel finds that the property would have been worthless at the time it was allegedly lost or stolen.

170. The Panel recommends no compensation for loss of tangible property.

C. Interest on contract losses

171. As the Panel recommends no compensation for contract losses, there is no need for the Panel to determine the date of loss from which interest would accrue.

D. Recommendation for Driplex

Table 20. RECOMMENDED COMPENSATION FOR DRIPLEX

Claim element	Claim amount (US$)	Recommended compensation (US$)
Contract losses	318,000	nil
Loss of tangible property	150,000	nil
Interest	286,000	nil
Total	754,000	nil

172. Based on its findings regarding Driplex's claim, the Panel recommends no compensation.

XV. CLAIM OF RECONDO LIMITED

173. Recondo Limited ("Recondo") is an Indian company that is involved in the construction and engineering of roads, runways, canals and power generators. Recondo seeks compensation in the amount of US$2,540,000 for contract losses and interest.

Table 21. RECONDO'S CLAIM

Claim element	Claim amount (US$)
Contract losses	1,680,000
Interest	860,000
Total	2,540,000

A. Contract losses

1. Facts and contentions

174. On the 8 August 1981, Recondo entered into a contract for the construction of 9 concrete weirs across the Khasa-Chai river in Kirkuk, Iraq. According to the evidence submitted by Recondo, the employer was "the Director General of the Kirkuk Irrigation Project Administration, New Tess'een Kirkuk, Government of Iraq, Iraq". The value of the contract was ID8,689,600. Recondo completed the contract works on or around 9 May 1984. The evidence submitted by Recondo suggest that the contract losses were covered by an Indo-Iraq deferred payment agreement.

2. Analysis and valuation

175. The Panel finds that the contract losses were for work performed prior to 2 May 1990. The loss is characterized as a debt of Iraq that arose prior to Iraq's invasion of Kuwait.

176. The Panel further finds that the inter-governmental deferred payment agreement did not have the effect of novating the debt for the purpose of Security Council resolution 687 (1991).

177. The Panel finds that Recondo did not submit sufficient evidence to support the asserted losses. The only evidence provided by Recondo is a copy of a file relating to its unsuccessful claim for compensation from the Export Credit Guarantee Corporation of India Ltd. and a final certificate, but this is largely illegible. Recondo did not provide copies of the

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contract or applications for payment, approved payment certificates, interim certificates, progress reports, invoices and actual payments received.

3. Recommendation

178. The Panel recommends no compensation for contract losses.

B. Interest on contract losses

179. As the Panel recommends no compensation for contract losses, there is no need for the Panel to determine the date of loss from which interest would accrue.

C. Recommendation for Recondo

Table 22. RECOMMENDED COMPENSATION FOR RECONDO

Claim element	Claim amount (US$)	Recommended compensation (US$)
Contract losses	1,680,000	nil
Interest	860,000	nil
Total	2,540,000	nil

180. Based on its findings regarding Recondo's claim, the Panel recommends no compensation.

XVI. CLAIM OF TRIVENI STRUCTURALS LIMITED

181. Triveni Structurals Limited ("Triveni") is an Indian corporation that is involved in the design, manufacture and erection of equipment, machinery and larger structures, such as towers. Triveni seeks compensation in the amount of US$1,400,964 for contract losses and loss of tangible property.

Table 23. TRIVENI'S CLAIM

Claim element	Claim amount (US$)
Contract losses	1,234,685
Loss of tangible property	166,279
Total	1,400,964

A. Contract losses

1. Facts and contentions

182. On 26 April 1980, Triveni entered into a contract with the State Enterprise of Tharthar Tigris Canal Project for the design, manufacture, delivery and erection of fabricated steel structures and the provision of other items for the Tharthar Tigris Canal project (the "project"). The value of the contract, according to Triveni, was US$2,850,496.

183. The Claimant completed work on the project in December 1987. The maintenance period ended in December 1988. By that stage, Triveni had received payments totaling US$1,615,811 leaving an outstanding amount of US$1,234,685 due to Triveni. Of this amount, US$634,611 was covered by a deferred payments agreement between India and Iraq.

184. Triveni seeks compensation of US$600,074 for the unpaid final bill for the project and US$634,611 in respect of an amount for which Triveni was given a credit advice under a deferred payments agreement between Iraq and India which remains unpaid.

185. Triveni asserts that it presented a final bill to the Iraqi employer on 21 January 1992 for payment, but with no success.

2. Analysis and valuation

186. The Panel finds that the contract losses stated by Triveni relate entirely to work that was performed prior to 2 May 1990.

187. The Panel further finds that the inter-governmental deferred payment agreement did not have the effect of novating the debt for the purpose of Security Council resolution 687 (1991).

188. The claim for contract losses is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991).

3. Recommendation

189. The Panel recommends no compensation for contract losses.

B. Loss of tangible property

190. Triveni seeks compensation in the amount of INR2,931,000 (US$166,279) for loss of tangible property. The property for which Triveni claims a loss is comprised of items of machinery and equipment.

191. Triveni provided no explanation or evidence of how the loss of tangible property directly resulted from the invasion and occupation of Kuwait. In its reply to the claim development letter, Triveni asserted that the property "was lying on site during the Iraq-Kuwait war and could not be returned to India".

192. The loss of machinery and equipment is supported only by a list of items on site in Iraq on 31 January 1986. The list contains a brief description of the item and the number of such items on site. The list includes a note of items that were purchased in Iraq, received from the Iraqi employer and those that were purchased abroad.

193. The Panel finds that Triveni did not provide sufficient evidence to support its loss of tangible property. The list submitted by Triveni does not establish ownership, age, cost or presence of the equipment in Iraq at the time of the invasion and occupation of Kuwait.

194. The Panel recommends no compensation for loss of tangible property.

C. Recommendation for Triveni

Table 24. RECOMMENDED COMPENSATION FOR TRIVENI

Claim element	Claim amount (US$)	Recommended compensation (US$)
Contract losses	1,234,685	nil
Loss of tangible property	166,279	nil
Total	1,400,964	nil

195. **Based on its findings** regarding Triveni's claim, the **Panel recommends** no compensation.

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XVII. CLAIM OF AURORA ENGINEERING

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196. Aurora Engineering is an Indian registered partnership (between J.S. Aurora, Meera Aurora and Shavinder Singh Aurora) involved in "the supply and management of manpower and civil construction work". In Aurora Engineering's original submission, it was stated that Aurora Engineering was "a sole proprietorship owned and controlled by Mr. J.S. Aurora".

197. Aurora Engineering seeks compensation in the amount of US$9,200,142 for contract losses, loss of earnings and profit, loss of tangible property, payment or relief to others, other losses and interest.

198. The Panel has been informed by the secretariat that Mr. J.S. Aurora submitted a claim to the "D" Panel for the same asserted losses. Aurora Engineering did not disclose the existence of this overlapping claim either in its original submission or in its reply to the claim development letter. The secretariat has further informed the Panel that the "D" claim also includes two claims for Mental Pain and Anguish. In his original submission of the "D" claim, Mr. Aurora asserted that Aurora Engineering is a sole proprietorship and also failed to disclose that Aurora Engineering had submitted an "E" claim to the Commission. The Panel understands that the business claims before this Panel and the "D" Panel are identical.

199. The Panel notes that it is not seized of personal claims. Therefore, the Panel makes no findings as to the compensability of the "D" claim.

Table 25. AURORA ENGINEERING'S CLAIM

Claim element	Claim amount (US$)
Contract losses:	
(1) Unpaid invoices	542,720
(2) Unpaid "leave salary"	227,821
Loss of profits	8,092,899
Loss of tangible property	73,154
Payment or relief to others	33,420
Other losses:	
(1) Rent paid on Baghdad office	33,693
(2) Travel expenses to Iraq	3,800
Interest	192,635
Total	9,200,142

A. Contract losses

1. Unpaid invoices

(a) Facts and contentions

200. On 6 August 1988, Aurora Engineering entered into a contract for the provision, supervision and management of skilled workers to the Technical Corps for Special Projects of the Ministry of Military Industry. Aurora Engineering supplied the manpower for work on the Abu Ja'far Al Mansour and the Al Riyaldh projects (the "projects") in Iraq.

201. The Iraqi employer terminated the contract by letter 19 September 1990, but gave no reason for doing so. Aurora Engineering contended that it had to evacuate its employees from Iraq "due to the apprehension of bombardment of Iraq" because of its invasion and occupation of Kuwait.

202. Aurora Engineering asserted that it had not been paid the foreign currency portion of monthly invoices submitted to the Iraqi employer or "leave salary" due under Iraqi Law. Aurora Engineering seeks compensation of ID169,130 (US$542,720) for unpaid work.

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203. Aurora Engineering was contractually entitled to be paid on a monthly basis for provision of manpower at the rates set out in an appendix to the contract. The appendix lists 779 different workers and their monthly rates. The monthly bill was to be paid in Iraqi dinars (60 per cent) and United States dollars (40 per cent). According to the contract, the foreign currency portion of each invoiced amount was payable within 45 days of the invoice. It was to be paid through the Central Bank of Iraq to Aurora Engineering's accounts outside of Iraq.

204. Aurora Engineering stated that at the time of the invasion and occupation of Kuwait, payment of the foreign currency portion was in arrears of 6 to 8 months. However, Aurora Engineering did not state specifically which of the monthly payments under the contract was outstanding nor did it submit copies of the monthly bills and invoices which it alleged have not been paid by Iraq.

205. Aurora Engineering contended that its records were kept on site in Iraq and that it left behind all of the records in Iraq as they were too bulky to transport back to India during the evacuation. Aurora Engineering stated that it did not keep a duplicate set of records in its head office in India.

206. The only evidence which Aurora Engineering submitted was a number of letters which it obtained from Iraq acknowledging that a number of amounts due to Aurora Engineering have not been paid. These amounts add up to the total claimed amount and represent the foreign currency portion and what is referred to as a "security amount". Aurora Engineering also submitted a letter dated 24 November 1990 sent by the Iraqi employer to Aurora Engineering. The letter acknowledges that:

- amounts of ID6,369 and ID5,399 were due for July 1990;

- ID6,925 were due to Aurora Engineering for August/September 1990;

- ID5,141 were due to for August/September/October 1990; and

- deposits of ID8,061 and ID4,410 were due for 91 and 41 workers respectively.

The total amount acknowledged as due in the letter is ID36,305 (which is stated in the same letter to be the equivalent of US$116,499). That amount

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represents less than 25 per cent of the claimed amount of ID169,130 (US$542,720).

(b) Analysis and valuation

207. Aurora Engineering submitted a copy of the contract and correspondence from Iraq which acknowledged that various amounts equal to the claimed amount were owed to the Claimant. It submitted a translation of letter dated 19 September 1990 by which the Iraqi employer terminated the contract. Aurora Engineering did not provide copies of monthly bills, invoices or time sheets. Aurora Engineering contended these records were left behind in Iraq when Aurora Engineering evacuated its employees and were subsequently destroyed.

208. Aurora Engineering did not state nor did it submit evidence of the dates on which the services (in this case, the provision of workers) were rendered under the contract, despite being asked to do so in the claim development letter. Aurora Engineering only submitted an acknowledgment from the Iraqi employer of debts for July through to October 1990.

209. The Panel finds that Aurora Engineering did not submit sufficient evidence to support its claim for unpaid invoices. Even acknowledging the differences in record keeping procedures that exist in various countries, the Panel is not convinced that the only copy of Aurora Engineering's records was kept in Iraq, particularly as the contract involved the supply of Indian workers for Iraqi projects. Furthermore, the Panel finds that Aurora Engineering did not demonstrate that its claim for unpaid invoices was the direct result of Iraq's invasion and occupation of Kuwait.

(c) Recommendation

210. The Panel recommends no compensation for unpaid invoices.

2. Unpaid "leave salary"

211. Aurora Engineering seeks compensation of ID70,996 (US$227,821) for "leave salary" which it claims is owed to it by the Iraqi employer under Iraqi law.

212. Aurora Engineering stated that under Iraqi law (which is incorporated into the contract under clause 16), the Iraqi employer was obliged to pay it "leave salary" at 20 days in a year of 326 days or 6.13 per cent of basic monthly wages. Aurora Engineering alleged the total amount of basic wages was certified at ID1,157,249, and therefore, calculated that it was due an amount of ID70,996.

213. Aurora Engineering did not specify reference to the relevant Iraqi law under which Iraq is allegedly liable for such payments. However, Aurora Engineering contended in its reply to the claim development letter that payment of leave salary is customary practice throughout the world, required by International Labour Organization standards and obligatory under Iraqi law.

214. The Panel finds that Aurora Engineering failed to establish that Iraq was obliged to pay the "leave salary" nor has Aurora Engineering submitted evidence that it was the practice of Iraq to pay "leave salary" in the past.

215. The Panel recommends no compensation for unpaid "leave salary".

3. Recommendation for contract losses

216. Based on its finding regarding unpaid invoices and "leave salary", the Panel recommends no compensation for contract losses.

B. Loss of profits

1. Facts and contentions

217. In its original submission, Aurora Engineering sought compensation of US$6,878,964 for loss of earnings and US$1,213,935 for loss of profits. In its reply to a claim development letter, Aurora Engineering sought compensation for loss of earnings only as the "loss of profits is included within the loss of earnings portion".

218. Aurora Engineering asserted that it is entitled to compensation in an amount at least equal to the value of the contract executed to the date of

termination. Aurora Engineering submitted correspondence from the Iraqi employer which acknowledged that the value of work carried out on the projects up to termination of the contract was ID1,277,687 and ID1,244,338 respectively. The total amount is ID2,522,025 which Aurora Engineering asserted is equivalent to US$8,092,899.

219. Aurora Engineering stated that its expected profit margin was 15 per cent of "earnings".

2. Analysis and valuation

220. The Panel finds that Aurora Engineering's claim for loss of "earnings" is unsubstantiated. Aurora Engineering failed to explain the basis for its assertion that it is entitled to compensation in an amount at least equal to the value of the contract executed to the date of termination. Further, the Panel finds that Aurora Engineering did not submit any evidence to establish that it would have earned any profit, let alone 15 per cent of revenue under the contract.

3. Recommendation

221. The Panel recommends no compensation for loss of profits.

C. Loss of tangible property

1. Facts and contentions

222. Aurora Engineering seeks compensation of ID7,700 (US$24,654) for losses related to the expropriation of 5 Toyota jeeps and 2 pickups which it states it specially imported into Iraq for its operations. Aurora Engineering asserted that these vehicles were expropriated by the Iraqi employer.

223. Aurora Engineering also seeks compensation of US$48,500 for the loss of property from two site offices, two director establishments and one staff establishment. These largely consisted of furniture and domestic electrical appliances, such as refrigerators. Aurora Engineering did not explain how the property was lost, but simply attributes the loss to Iraq's invasion and occupation of Kuwait.

224. The only evidence submitted by Aurora Engineering in support of its claim is untranslated copies of what it alleges are the Iraqi import and registration documents for the vehicles.

2. Analysis and Valuation

225. With respect to physical assets in Iraq on 2 August 1990, the Panel has held that a claimant may prove a direct loss by demonstrating that the breakdown in civil order in those countries, which resulted from Iraq's invasion and occupation of Kuwait, caused the claimant to evacuate its employees and that the evacuation resulted in the abandonment of the claimant's physical assets. The claimant must then establish its ownership, the value and the presence of such physical assets.

226. Aurora Engineering did not provide sufficient evidence of its ownership, the value and the presence of the tangible property located in Iraq. Further, the Panel finds that Aurora Engineering did not provide evidence of the evacuation of its workers from Iraq.

227. Finally, the Panel finds that Aurora Engineering has submitted no evidence that the vehicles were expropriated.

3. Recommendation

228. The Panel recommends no compensation for loss of tangible property.

D. Payment or relief to others

229. Aurora Engineering stated that following Iraq's invasion and occupation of Kuwait, the workforce became "anxious, agitated and apprehensive of their safety" because of the threat of military action. This situation was exacerbated by the fact that the workers could not immediately leave Iraq following the invasion and were obliged to remain in Iraq until over month later. As a form of relief, Aurora Engineering asserted that it made ex gratia payments totaling INR668,407 (US$33,420) to some of its employees.

230. Aurora Engineering has attributed the losses in this regard to threat of military action (as specified paragraph 21(a) of decision 7) but it has not submitted any evidence in this respect.

231. The Panel finds Aurora Engineering submitted no evidence to support its claim for the asserted losses. It failed to provide a list of the employees to whom it alleged it paid such "ex gratia" payments, payroll records for the employees for the period relevant to its claim, or proof that the claimed amount was paid by Aurora Engineering.

232. The Panel recommends no compensation for payment or relief to others.

E. Other losses

(1) Rent paid on Baghdad office

233. Aurora Engineering seeks compensation of ID10,500 (US$33,693) for rent paid in respect of its office. Aurora Engineering asserted that although it departed from Iraq, it was necessary to continue to rent its office premises in order to store the records of the partnership.

234. Aurora Engineering did not furnish any evidence in support of its claims for compensation in respect of rent paid. As for other asserted losses, Aurora Engineering stated that the documents were lost in Iraq.

235. The Panel finds that rent is not an expense that is chargeable to the Employer, but part of the overheads that a contractor uses to calculate the rates charged, and therefore finds that pre-paid rent is not compensable.

236. The Panel finds that Aurora Engineering did not submit any evidence to support its asserted losses.

237. The Panel recommends no compensation for losses arising from the payment of rent on Aurora Engineering's Baghdad office.

(2) Travel expenses to Iraq

238. Aurora Engineering also claimed expenses of US$3,800 allegedly incurred by Mr. J.S. Aurora in traveling to Iraq in 1991 in order to recover payment.

239. Aurora Engineering submitted an affidavit of Mr. J.S. Aurora in support of its asserted losses. According to the affidavit, Mr. J.S. Aurora flew to Amman from New Delhi on 4 November 1991 and traveled by road to Baghdad. In the affidavit, Mr. J.S. Aurora alleges that the purpose of the visit was to obtain payment from Iraq.

240. As further evidence of its claim for travel expenses, Aurora Engineering submitted copies of two airline ticket stubs. One appears to be a return air fare with Royal Jordanian Airlines from New Delhi to Amman dated 1 November 1991 and the other appears to be a return airfare from New Delhi via Amman to Baghdad. Aurora Engineering did not submit any

documentary evidence in support of its claim for living expenses of US$3,000 allegedly incurred during Mr. Aurora's three months stay in Iraq.

241. The Panel finds that claims for travel expenses incurred by a claimant in attempting to mitigate its losses are compensable in principle, provided the Panel is satisfied that the travel was undertaken in order to mitigate the claimants's losses and the trip was undertaken at a reasonable cost.

242. The Panel finds that Aurora Engineering did not submit sufficient proof of the purpose of Mr. J.S. Aurora's visit to Iraq or sufficient evidence of its asserted losses.

243. The Panel recommends no compensation for travel expenses to Iraq.

F. Interest on contract losses

244. As the Panel recommends no compensation for contract losses, there is no need for the Panel to determine the date of loss from which interest would accrue.

G. Recommendation for Aurora Engineering

Table 26. RECOMMENDED COMPENSATION FOR AURORA ENGINEERING

Claim element	Claim amount (US$)	Recommended compensation (US$)
Contract losses:		
(1) Unpaid invoices	542,720	nil
(2) Unpaid "leave salary"	227,821	nil
Loss of earnings and profits	8,092,899	nil
Loss of tangible property	73,154	nil
Payment and relief to others	33,420	nil
Other losses:		
(1) Rent paid on Baghdad office	33,693	nil
(2) Travel expenses to Iraq	3,800	nil
Interest	192,635	nil
Total	9,200,142	nil

245. Based on its findings regarding Aurora Engineering's claim, the Panel recommends no compensation.

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XVIII. CLAIM OF SOCIETÀ TECNICA INTERNAZIONALE (SOTECNI) S.P.A.

246. Società Tecnica Internazionale (SOTECNI) S.p.A. ("Sotecni") is an Italian publicly held corporation that is involved in the provision of construction management and consulting services. Sotecni seeks compensation in the amount of US$845,287 for contract losses.

Table 27. SOTECNI'S CLAIM

Claim element	Claim amount (US$)
Contract losses	845,287
Total	845,287

A. Contract losses

1. Facts and contentions

247. Sotecni was engaged by the New Railways Implementation Authority of Iraq to provide design and management services in respect of the construction of two sections of the Mussieb-Samawa railway line in southern Iraq. Sotecni did not disclose the date or the total amount of the contract.

248. Under the contract, the Iraqi employer discharged invoices submitted by Sotecni by forwarding payment orders to the Raifidin Bank. The payment orders included both the amounts to be paid in local currency and in transferable foreign currencies. Due to what Sotecni describes as the "situation in which the country found itself", the Raifidin bank dishonored the payment orders relating to invoices numbers 51 and 53 to 71.

249. Iraq and Italy subsequently entered into a deferred payments agreement on 19 March 1987, *inter alia*, with respect to outstanding payments owed to Italian companies. An agreement was later reached on 7 May 1987 by Raifidin Bank and the Banca Nazionale del Lavoro which implemented the payment procedure outlined in the part of the deferred payment agreement that, *inter alia*, related to unconfirmed and uninsured letters of credit, and invoices.

250. The deferred payment agreement covered an amount of US$40,000,000, which included the sums due and owing to Sotecni. Of this global figure, US$30,000,000.00 was paid off by the Raifidin Bank and Sotecni's proportionate share was discharged. However, the remaining US$10,000,000 representing the final three instalments remained outstanding. Of this amount, Sotecni asserted that it was owed an amount of US$845,287. Sotecni

attributed the continuing failure of the Raifidain Bank to discharge this amount to Iraq's invasion and occupation of Kuwait.

2. Analysis and valuation

251. The Panel finds that the contract losses stated by Sotecni relate entirely to work that was performed prior to 2 May 1990. The claimed amount was included under the deferred payment agreement in 1987. From this evidence, the Panel draws the inference that all work under the contract was completed prior to 2 May 1990. Accordingly, the claim relates entirely to work that was completed prior to 2 May 1990.

252. The Panel further finds that the inter-governmental deferred payment agreement did not have the effect of novating the debt for the purpose of Security Council resolution 687 (1991).

253. The claim for contract losses is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991).

254. The Panel finds that Sotecni did not submit sufficient evidence to support its claim for contract losses. The only evidence provided by Sotecni is translated and untranslated copies of correspondence with the Italian Foreign Ministry and Italia Trading Service S.p.A., and the deferred payment agreement of 19 March 1987. Sotecni did not provide copies of the underlying contract and applications for payment, approved payment certificates, interim certificates, progress reports, invoices and actual payments received.

3. Recommendation

255. The Panel recommends no compensation for contract losses.

B. Recommendation for Sotecni

Table 28. RECOMMENDED COMPENSATION FOR SOTECNI

Claim element	Claim amount (US$)	Recommended compensation (US$)
Contract losses	845,287	nil
Total	845,287	nil

256. Based on its findings regarding Sotecni's claim, the Panel recommends no compensation.

XIX. CLAIM OF RO "BIM" SV. NIKOLE

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257. RO "BIM" Sv. Nikole ("Nikole") is a Macedonian state-owned enterprise that is involved in the production of bitumen based insulating materials for use in the building industry. Nikole seeks compensation in the amount of US$736,505 for contract losses and interest.

Table 29. NIKOLE'S CLAIM

Claim element	Claim amount (US$)
Contract losses	590,950
Interest	145,555
Total	736,505

A. Contract losses

1. Facts and contentions

258. Nikole entered into two contracts (the dates of which Nikole did not provide) with two other companies from the former Yugoslavia, Izolacija (the "buyer") and Elektrometal (the "exporter") for the supply of insulating building materials for two projects in Balaruz and Numanija in Iraq. The buyer was one of three subcontractors retained by the Federal Directorate for Supply and Procurement ("SDPR") in Belgrade. SDPR was the main contractor to Iraq for both projects.

259. All payments were made by Iraq directly to SDPR. SDPR transferred monies received from Iraq upon presentation of "a statement for completed operations" to the account of the buyer and the exporter. The buyer was responsible for payment of the amounts owed to Nikole for each delivery. Payment of some of the goods supplied by Nikole was covered by a deferred payments agreement concluded between Iraq and the former Socialist Federal Republic of Yugoslavia.

260. Under both contracts Nikole was obliged to deliver to Iraq 80 per cent of the insulating material before 31 December 1988 and the remaining 20 per cent during 1989. However, not all the goods were delivered by 1989. Nikole submitted copies of five invoices which relate to the export of insulating materials to Iraq in 1990. The invoices are dated from 1 June 1990 to 5 July 1990.

261. Nikole stated that it has suffered losses in respect of 3 tranches of export transactions dating from 11 August 1988 onwards. The first tranche of exports was delivered in 1988 and 1989 and amounted to US$824,000 in respect of which Nikole received payment of US$364,000, leaving a unpaid balance of US$460,000. The second tranche of exports was made in 1989 and amounted to US$96,000.00 of which Nikole received payment of US$48,000, leaving an unpaid balance of US$48,000. Finally, the third tranche of exports was delivered between 23 June and 2 August 1990 and amounted to US$82,950 for which Nikole received no payment.

262. Part of the first tranche was covered by deferred payments "decisions" made under Law 20/89 of the former Republic of Yugoslavia which allowed, inter alia, exporters of goods to Iraq an extension of time for bringing in foreign currency for exports made in 1988 and afforded some concessions to exporters who had not been paid.

263. In its original submission, Nikole attributed its losses in a general way to Iraq's invasion and occupation of Kuwait without specifying precisely how the losses arose. In its reply to the claim development letter, Nikole stated that because of Iraq's invasion and occupation of Kuwait, the trade embargo was imposed as a result of which payment of the outstanding amounts was rendered impossible.

264. As evidence of its contract losses, Nikole submitted copies of the relevant contracts, export customs declarations, "specifications", deferred payment decisions and international bills of freight, the latter of which are stamped by the shipper and the Iraqi consignee. In its reply to the claim development letter, Nikole has submitted copies of invoices no. 5 to 9 which relate to the exportation of goods to Iraq in 1990. It also submitted copies of Laws numbers 31/88 and 20/89 under which the deferred payment decisions were made together with further copies of such decisions.

2. Analysis and valuation

265. The Panel holds that in the case of contracts to which Iraq was not a party, claimants must provide specific proof that the failure of a debtor to pay was the direct result of Iraq's invasion and occupation of Kuwait. A claimant must demonstrate that a debtor was rendered unable to pay through insolvency or bankruptcy caused by the destruction of its business during Iraq's invasion and occupation of Kuwait.

266. The Panel finds that the trade embargo and related measures, and the economic situation caused thereby, cannot be accepted as the basis for

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compensation. Compensation will be provided to the extent that Iraq's unlawful invasion and occupation of Kuwait constituted a cause of direct loss, damage or injury which is separate and distinct from the trade embargo and related measures.

267. The Panel finds that Nikole did not demonstrate that its contract losses directly resulted from Iraq's invasion and occupation of Kuwait. Nikole did not demonstrate that the failure of the buyer (Izolacija) to pay was the direct result of Iraq's invasion and occupation of Kuwait nor did Nikole demonstrate that the buyer was rendered unable to pay through insolvency or bankruptcy caused by the destruction of its business during Iraq's invasion and occupation of Kuwait. Nikole failed to establish that Iraq's invasion and occupation of Kuwait constituted a cause of direct loss, damage or injury which was separate and distinct from the trade embargo and related measures.

3. Recommendation

268. The Panel recommends no compensation for contract losses.

B. Interest on contract losses

269. As the Panel recommends no compensation for contract losses, there is no need for the Panel to determine the date of loss from which interest would accrue.

C. Recommendation for Nikole

Table 30. RECOMMENDED COMPENSATION FOR NIKOLE

Claim element	Claim amount (US$)	Recommended compensation (US$)
Contract losses	590,950	nil
Interest	145,555	nil
Total	736,505	nil

270. Based on its findings regarding Nikole's claim, the Panel recommends no compensation.

XX. CLAIM OF SHEPPARD ROBSON

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271. Sheppard Robson is a United Kingdom partnership providing architectural, planning and interior design services. Sheppard Robson seeks compensation in the amount of US$1,353,692 for contract losses.

272. Sheppard Robson received compensation from the United Kingdom's Export Credits Guarantee Department ("ECGD") for at least one of the projects for which it claims contract losses.

Table 31. SHEPPARD ROBSON'S CLAIM

Claim element	Claim amount (US$)
Contract losses	1,353,692
Total	1,353,692

A. Contract losses

1. Facts and contentions

273. Sheppard Robson's claim for contract losses relates to two separate projects in Iraq.

274. Sheppard Robson entered into a contract dated 7 September 1982 with the Amanat Al Assima for the provision of architectural services on the Naaish Khana Central Development project in Iraq. The final invoices were submitted by Sheppard Robson to the Iraqi employer on 25 April 1986, and 2 and 23 August 1986. These outstanding accounts totaled ID290,814 (US$935,093). Of this amount, ID 204,344 (US$657,055) had been approved and authorized for payment by the Iraqi employer but the Central Bank had not passed them for payment.

275. Sheppard Robson entered into a contract dated 2 May 1982 with the State Organization for Tourism for the provision of consultancy services relating to the refurbishment and extension of the Villa Harthiya (situated in the Baghdad palace). Sheppard Robson seeks compensation for two unpaid invoices both dated 3 December 1986 in the total amount of ID130,184.310 (US$418,599). Although a copy of the contract was not been provided, it would appear that Sheppard Robson's fee would be paid as a percentage of the value of the accepted tender. Following submission of the tenders, the Iraqi employer decided to form a committee of in-house professionals. The committee was to work for a figure 20 per cent less than the value of the

accepted tender. Sheppard Robson was requested to afford the Iraqi employer a pro rata reduction in its fees. There was some discussion between Sheppard Robson and the Iraqi employer concerning the latter's request for a 20 per cent reduction. Sheppard Robson alleged that these discussions concluded with an assurance that Sheppard Robson would be paid on the basis of an amount roughly equivalent to the value of the accepted tender.

276. The evidence provided by Sheppard Robson is copies of most of its invoices, correspondence with the United Kingdom's Export Credit Guarantees Department, and correspondence between the British Embassy in Baghdad and the Iraqi Ministry of Foreign Affairs, which includes an acknowledgment of debt by Iraq concerning the first project. Sheppard Robson did not provide a copy of either contract.

2. Analysis and valuation

277. The Panel finds that both contract losses stated by Sheppard Robson relate entirely to work that was performed prior to 2 May 1990. Accordingly, the claim for contract losses is outside the jurisdiction of the Commission and is not compensable under Security Council resolution 687 (1991).

3. Recommendation

278. The Panel recommends no compensation for contract losses.

B. Recommendation for Sheppard Robson

Table 32. RECOMMENDED COMPENSATION FOR SHEPPARD ROBSON

Claim element	Claim amount US$)	Recommended compensation US$)
Contract losses	1,353,692	nil
Total	1,353,692	nil

279. Based on its findings regarding Sheppard Robson's claim, the Panel recommends no compensation.

XXI. RECOMMENDATIONS

280. Based on the foregoing, the Panel recommends the following amounts of compensation for direct losses suffered by the claimants as a result of Iraq's invasion and occupation of Kuwait:

a. Arthur Erickson Associates Ltd. (Canada): NIL;

b. General Arab Contracting Company (Arab Republic of Egypt): NIL;

c. General Nile Company for Contractings (Arab Republic of Egypt): NIL;

d. BRL (Compagnie Nationale D'Aménagement de la Région du Bas-Rhône et du Languedoc) (Republic of France): NIL;

e. SODETEG S.A. (Republic of France): NIL;

f. J.M. Voith (Federal Republic of Germany): NIL;

g. MCK Maschinenbau GmbH & Co. KG (Federal Republic of Germany): NIL;

h. Salzgitter Anlagenbau (Federal Republic of Germany): NIL;

i. Weidleplan Consulting GmbH (Federal Republic of Germany): NIL;

j. Asia Foundations & Constructions Ltd. (India): NIL;

k. Syndicate Engineering Co. (Bhilai) Private Ltd. (India): NIL;

l. Driplex Water Engineering (International) Limited (India): NIL;

m. Recondo Limited (India): NIL;

n. Triveni Structurals Ltd. (India): NIL;

o. Aurora Engineering (India): NIL;

p. Società Tecnica Internazionale SOTECNI S.p.A. (Italy): NIL;

q. RO "BIM" Sv. Nikole (Republic of Macedonia): NIL;

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r. Sheppard Robson (United Kingdom of Great Britain and Northern Ireland): NIL.

Geneva, 29 June 1999

(Signed) Mr. Werner Melis
Chairman

(Signed) Mr. David Mace
Commissioner

(Signed) Mr. Sompong Sucharitkul
Commissioner

Annex IV

Decision concerning the eighth instalment of E3 claims taken by the Governing Council of the United Nations Compensation Commission at its 90th meeting, held at Geneva on 30 September 1999*

The Governing Council,

Having received, in accordance with article 38 of the Provisional Rules for Claims Procedure, the report and recommendations made by the panel of Commissioners concerning the eighth instalment of "E3" claims, covering eighteen claims, 1/

1. Approves the recommendations made by the panel of Commissioners, and, accordingly,

2. Decides, pursuant to article 40 of the Rules, to approve the amounts of the recommended awards concerning the claims covered in the report. The aggregate amounts per country, as noted in paragraph 280 of the report, are as follows:

Country	Number of claims recommended for payment	Number of claims not recommended for payment	Amount of compensation claimed (US$)	Amount of compensation recommended (US$)
Canada	-	1	187,235	nil
Egypt	-	2	620,583	nil
France	-	2	3,309,608	nil
Germany	-	4	7,219,234	nil

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* Previously issued as document S/AC.26/Dec.75 (1999).

1/ The text of the report appears in document S/AC.26/1999/15 (annex III bove).

Country	Number of claims recommended for payment	Number of claims not recommended for payment	Amount of compensation claimed (US$)	Amount of compensation recommended (US$)
India	-	6	18,282,719	nil
Italy	-	1	845,287	nil
Macedonia, The former Yugoslav Republic of	-	1	736,505	nil
United Kingdom	-	1	1,353,692	nil
Total	-	18	32,554,863	nil

3. *Requests* the Executive Secretary to provide a copy of the report to the Secretary-General, to the Government of the Republic of Iraq and to each respective Government.

Annex V

Report and recommendations of the Panel of Commissioners concerning the ninth instalment of E3 claims*

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* Previously issued as document S/AC.26/1999/16.

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Introduction

1. The Governing Council of the United Nations Compensation Commission (the "Commission") appointed the present Panel of Commissioners (the Panel"), composed of Messrs. John Tackaberry (Chairman), Pierre Genton and Vinayak Pradhan, at its twenty-eighth session in June 1998, to review construction and engineering claims filed with the Commission on behalf of corporations and other legal entities in accordance with the relevant Security Council resolutions, the Provisional Rules for Claims Procedure (S/AC.26/1992/10) (the "Rules") and other Governing Council decisions. This report contains the recommendations to the Governing Council by the Panel, pursuant to article 38(e) of the Rules, concerning the claims of sixteen corporations included in the ninth instalment. Each of the claimants seeks compensation for loss, damage or injury allegedly arising out of Iraq's 2 August 1990 invasion and subsequent occupation of Kuwait.

2. Each of the claimants had the opportunity to provide the Panel with information and documentation concerning their claims. The Panel has considered evidence from the claimants and the responses of Governments to the reports of the Executive Secretary issued pursuant to article 16 of the Rules. The Panel has retained consultants with expertise in valuation and in construction and engineering. The Panel has taken note of certain findings by other Panels of Commissioners, approved by the Governing Council, regarding the interpretation of relevant Security Council resolutions and Governing Council decisions. The Panel was mindful of its function to provide an element of due process in the review of claims filed with the Commission. Finally, the Panel has further amplified both procedural and substantive aspects of the process of formulating recommendations in its preamble to its consideration of the individual claims.

I. PROCEDURAL HISTORY

A. The nature and purpose of the proceedings

3. The status and functions of the Commission are set forth in the report of the Secretary-General pursuant to paragraph 19 of Security Council resolution 687 (1991) dated 2 May 1991 (S/22559). In his report, the Secretary-General described the function of the Commission as follows:

> "The Commission is not a court or an arbitral tribunal before which the parties appear; it is a political organ that performs an essentially fact-finding function of examining claims, verifying their validity, evaluating losses, assessing payments and resolving disputed claims. It is only in this last respect that a quasi-judicial function may be involved. Given the nature of the Commission, it is all the more important that some element of due process be built into the procedure. It will be the function of the commissioners to provide this element." (S/22559, paragraph 20).

> "The processing of claims will entail the verification of claims and evaluation of losses and the resolution of any disputed claims. The major part of this task is not of a judicial nature; the resolution of disputed claims would, however, be quasi-judicial. It is envisaged that the processing of claims would be carried out principally by the commissioners. Before proceeding to the verification of claims and evaluation of losses, however, a determination will have to be made as to whether the losses for which claims are presented fall within the meaning of paragraph 16 of resolution 687 (1991), that is to say, whether the loss, damage or injury is direct and as a result of Iraq's unlawful invasion and occupation of Kuwait." (S/22559, paragraph 25).

4. The Panel is entrusted with three tasks in the present proceedings. First, the Panel is required to determine whether the various types of losses alleged by the claimants are within the jurisdiction of the Commission, i.e., whether the losses were caused directly by Iraq's invasion and occupation of Kuwait. Second, the Panel has to verify whether the alleged losses that are in principle compensable have in fact been incurred by a given claimant. Third, the Panel is required to determine whether these compensable losses were incurred in the amounts claimed, and if not, the appropriate quantum for the loss based on the evidence before the Panel.

5. In fulfilling these tasks, the Panel considered that the vast number of claims before the Commission and the time limits in the Rules necessitated the use of an approach which is itself unique, but the principal characteristics of which are rooted in generally accepted procedures for claim determination, both domestic and international. It involves the employment of well established general legal standards of proof and valuation methods that have much experience behind them. The resultant process is essentially documentary rather than oral, and inquisitorial rather than adversarial. This method carefully balances the twin objectives of speed and accuracy. It also permits the efficient resolution of the thousands of claims filed by corporations with the Commission.

B. The procedural history of the claims in the ninth instalment

6. The claims submitted to the Panel in this instalment and addressed in this report were selected by the secretariat of the Commission from among the construction and engineering claims (the "'E3' Claims") on the basis of established criteria. These include the date of filing and compliance by claimants with the requirements established for claims submitted by corporations and other legal entities (the "category 'E' claims").

7. On 4 February 1999, the Panel issued a procedural order relating to the claims. The Panel decided to complete its review of the claims within

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180 days of the date of its procedural order, in accordance with article 38(c) of the Rules.

8. In view of the review period and the available information and documentation the Panel determined that it was able to evaluate the claims without additional information or documents from the Government of Iraq. Nonetheless, due process, the provision of which is the responsibility of the Panel, has been achieved by the insistence of the Panel on the observance by claimants of the article 35(3) requirement for sufficient documentary and other appropriate evidence.

9. Prior to presenting the ninth instalment to the Panel, the secretariat performed a preliminary assessment of each claim in order to determine whether the claim met the formal requirements established by the Governing Council in article 14 of the Rules. For those claims that did not meet the formal requirements, each claimant was notified of the deficiencies and invited to provide the necessary information.

10. Further, a review of the legal and evidentiary basis of each claim identified specific questions as to the evidentiary support for the alleged loss. It also highlighted areas of the claim in which further information and documentation was required. Consequently, questions and requests for additional documentation were transmitted to the claimants pursuant to the Rules. Upon receipt of the responses and additional documentation, a detailed factual and legal analysis of each claim was conducted.

11. That analysis brought to light the fact that many claimants lodged little material of a genuinely probative nature when they initially filed their claims. It also appears that many claimants did not retain clearly relevant documentation and were unable to provide it when asked for it. Indeed, some claimants have destroyed documents in the course of a normal administrative process without distinguishing between documents with no long term purpose and documents necessary to support the claims that claimants had already put forward. Finally, some claimants did not respond to requests for further information and evidence. The consequence has inevitably been that for a large number of loss elements the Panel has been unable to recommend any compensation. The Panel returns to this topic later.

12. The Panel performed a thorough and detailed factual and legal review of the claims. The Panel has assumed an investigative role that goes beyond reliance merely on information and argument supplied with the claims as presented. After a review of the relevant information and documentation, the Panel made initial determinations as to the compensability of the loss elements of each claim. Next, comprehensive reports on each of the claims were prepared focusing on the appropriate valuation of each of the compensable losses, and on the question of whether the evidence produced by the claimant was sufficient in accordance with article 35(3) of the Rules.

13. The valuation analysis ensures clarity and consistency in the application of certain valuation principles to the construction and engineering claims. Each loss element was individually analysed according to a set of instructions provided by the Panel. The cumulative effect was one of the following: (a) a recommendation of full compensation for the alleged loss; (b) an adjustment to the amount of the alleged loss; or (c) a recommendation of no compensation.

C. The claimants

14. This report contains the Panel's findings with respect to the following claims for losses allegedly caused directly by Iraq's invasion and occupation of Kuwait:

(a) Lescomplekt Ltd, a corporation organised under the laws of the Republic of Bulgaria, which seeks compensation in the total amount of US$1,042,868;

(b) Telecomplect AD, a corporation organised under the laws of the Republic of Bulgaria, which seeks compensation in the total amount of US$825,394;

(c) China Civil Engineering Construction Corporation, a state enterprise licensed in the People's Republic of China, which seeks compensation in the total amount of US$9,224,548;

(d) China Harbour Engineering Company, a state enterprise licensed in the People's Republic of China, which seeks compensation in the total amount of US$2,623,588;

(e) The General Company for Land Reclamation, a company organised under the laws of the Arab Republic of Egypt, which seeks compensation in the total amount of US$14,778,645;

(f) CIPEC, an entity organised under the laws of the French Republic, which seeks compensation in the total amount of US$79,359;

(g) Freyssinet International et Compagnie, a corporation organised under the laws of the French Republic, which seeks compensation in the total amount of US$3,334,131;

(h) Chemitherm Plants and Systems Pvt Ltd, a corporation organised under the laws of the Republic of India, which seeks compensation in the total amount of US$250,502;

(i) Murazumi Construction Co. Ltd, a corporation organised under the laws of Japan, which seeks compensation in the total amount of US$1,599,843;

(j) Corderoy International Limited, a corporation organised under the laws of the United Kingdom of Great Britain and Northern Ireland, which seeks compensation in the total amount of US$95,852;

(k) Costain International Limited, a corporation organised under the laws of the United Kingdom of Great Britain and Northern Ireland, which seeks compensation in the total amount of US$422,786;

(l) Ewbank Preece Limited, a corporation organised under the laws of the United Kingdom of Great Britain and Northern Ireland, which seeks compensation in the total amount of US$122,205;

(m) IMI Yorkshire Copper Tube (Exports) Limited, a corporation organised under the laws of the United Kingdom of Great Britain and Northern Ireland, which seeks compensation in the total amount of US$85,415;

(n) Kaskade Drains Limited, a corporation organised under the laws of the United Kingdom of Great Britain and Northern Ireland, which seeks compensation in the total amount of US$27,459;

(o) Pirelli General PLC, a public limited company organised under the laws of the United Kingdom of Great Britain and Northern Ireland, which seeks compensation in the total amount of US$5,503,338; and

(p) Lewis & Zimmerman Associates, Inc, a corporation organised under the laws of the United States of America, which seeks compensation in the total amount of US$38,886.

15. In drafting this report, the Panel has not included specific citations from restricted or non-public documents that were produced or made available to it for the completion of its work.

II. LEGAL FRAMEWORK

A. Applicable law

16. In paragraph 16 of resolution 687 (1991), the Security Council:

> "*Reaffirms* that Iraq, without prejudice to the debts and obligations of Iraq arising prior to 2 August 1990, which will be addressed through the normal mechanisms, is liable under international law for any direct loss, damage, including environmental damage and the depletion of natural resources, or injury to foreign Governments, nationals and corporations, as a result of Iraq's unlawful invasion and occupation of Kuwait".

17. The sources of the law and principles to be applied by the Panel are set out in article 31 of the Rules:

> "In considering the claims, Commissioners will apply Security Council resolution 687 (1991) and other relevant Security Council resolutions, the criteria established by the Governing Council for particular categories of claims, and any pertinent decisions of the Governing Council. In addition, where necessary, Commissioners shall apply other relevant rules of international law."

B. Liability of Iraq

18. When adopting resolution 687 (1991), the Security Council acted under chapter VII of the Charter of the United Nations which provides for maintenance or restoration of international peace and security. The Security Council also acted under chapter VII when adopting resolution 692 (1991), in which it decided to establish the Commission and the Compensation Fund referred to in paragraph 18 of resolution 687 (1991). Specifically, under resolution 687 (1991), the issue of Iraq's liability for losses falling within the Commission's jurisdiction is resolved and is not subject to review by the Panel.

19. In this context, it is necessary to address the meaning of the term "Iraq". In Governing Council decision 9 (S/AC.26/1992/9) and other Governing Council decisions, the word "Iraq' was used to mean the Government of Iraq, its political subdivisions, or any agency, ministry, instrumentality or entity (notably public sector enterprises) controlled by the Government of Iraq. In the Report and Recommendations Made by the Panel of Commissioners Concerning the Fifth Instalment of "E3" Claims (the "Fifth Report", S/AC.26/1999/2), the Panel adopted the presumption that for contracts performed in Iraq, the other contracting party was an Iraqi Government entity. This presumption is also adopted for the claims reviewed in this report.

C. The "arising prior to" clause

20. The Panel recognizes that it is difficult to establish a fixed date for the exclusion of its jurisdiction that does not contain an arbitrary element. With respect to the interpretation of the "arising prior to" clause in paragraph 16 of Security Council resolution 687 (1991), the Panel of Commissioners that reviewed the first instalment of "E2" claims concluded that the "arising prior to" clause was intended to exclude the foreign debt of Iraq which existed at the time of Iraq's invasion of Kuwait from the jurisdiction of the Commission. As a result, the "E2" Panel found that:

> "In the case of contracts with Iraq, where the performance giving rise to the original debt had been rendered by a claimant more than three months prior to 2 August 1990, that is, prior to 2 May 1990, claims based on payments owed, in kind or in cash, for such performance are outside of the jurisdiction of the Commission as

claims for debts or obligations arising prior to 2 August 1990." (the "E2" Report, S/AC.26/1998/7, paragraph 90).

21. That report was approved by the Governing Council. Accordingly, this Panel adopts for the purpose of this report the early interpretation which is to the following effect:

(a) the phrase "without prejudice to the debts and obligations of Iraq arising prior to 2 August 1990, which will be addressed through normal mechanisms" was intended to have an exclusionary effect on the Commission's jurisdiction, i.e., such debts and obligations are not compensable by the Commission;

(b) the limitation contained in the clause "arising prior to 2 August 1990" was intended to leave unaffected the debts and obligations of Iraq which existed prior to Iraq's invasion and occupation of Kuwait; and

(c) the terms "debts" and "obligations" should be given the customary and usual meanings applied to them in ordinary discourse.

22. Thus, the Panel accepts that, in general, a claim relating to a "debt or obligation arising prior to 2 August 1990" means a debt and/or obligation that is based on work performed or services rendered prior to 2 May 1990.

D. Application of the "direct loss" requirement

23. Paragraph 21 of Governing Council decision 7 (S/AC.26/1991/7) is the seminal rule on "directness" for category "E" claims. It provides in relevant part that compensation is recoverable for:

> "... any direct loss, damage, or injury to corporations and other entities as a result of Iraq's unlawful invasion and occupation of Kuwait. This will include any loss suffered as a result of:

(a) Military operations or threat of military action by either side during the period 2 August 1990 to 2 March 1991;

(b) Departure of persons from or their inability to leave Iraq or Kuwait (or a decision not to return) during that period;

(c) Actions by officials, employees or agents of the Government of Iraq or its controlled entities during that period in connection with the invasion or occupation;

(d) The breakdown of civil order in Kuwait or Iraq during that period; or

/...

(e) Hostage-taking or other illegal detention."

24. The text of paragraph 21 of decision 7 is not exhaustive and leaves open the possibility that there may be causes of "direct loss" other than those enumerated. Paragraph 6 of decision 15 of the Governing Council (S/AC.26/1992/15) confirms that there "will be other situations where evidence can be produced showing claims are for direct loss, damage or injury as a result of Iraq's unlawful invasion and occupation of Kuwait". Should that be the case, the claimants will have to prove specifically that a loss that was not suffered as a result of one of the five categories of events set out in paragraph 21 of decision 7 is nevertheless "direct". Paragraph 3 of decision 15 emphasizes that for any alleged loss or damage to be compensable, the "causal link must be direct". (See also paragraph 9 of decision 9).

25. While the phrase "as a result of" contained in paragraph 21 of decision 7 is not further clarified, Governing Council decision 9 provides guidance as to what may be considered "losses suffered as a result of" Iraq's invasion and occupation of Kuwait. It identifies the three main categories of loss types in the "E" claims: losses in connection with contracts, losses relating to tangible assets and losses relating to income-producing properties. Thus, decisions 7 and 9 provide specific guidance to the Panel as to how the "direct loss" requirement must be interpreted.

26. In the light of the decisions of the Governing Council identified above, the Panel has reached certain conclusions as to the meaning of "direct loss". These conclusions are set out in the following paragraphs.

27. With respect to physical assets in Iraq or in Kuwait as at 2 August 1990, a claimant can prove a direct loss by demonstrating two matters. First, that the breakdown in civil order in these countries, which result from Iraq's invasion and occupation of Kuwait, caused the claimant to evacuate its employees. Second, as set forth in paragraph 13 of decisi 9, that the claimant left physical assets in Iraq or in Kuwait.

28. With respect to losses relating to contracts to which Iraq was a party, force majeure or similar legal principles are not available as a defense to the obligations of Iraq.

29. With respect to losses relating to contracts to which Iraq was not a party, a claimant may prove a direct loss if it can establish that Iraq's invasion and occupation of Kuwait or the breakdown in civil order in Iraq or Kuwait following Iraq's invasion caused the claimant to evacuate the personnel needed to perform the contract.

30. In the context of the losses set out above, reasonable costs which have been incurred to mitigate those losses are direct losses. The Panel bears in mind that the claimant was under a duty to mitigate any losses

that could have been reasonably avoided after the evacuation of its personnel from Iraq or Kuwait.

31. These findings regarding the meaning of "direct loss" are not intended to resolve every issue that may arise with respect to the Panel's interpretation of Governing Council decisions 7 and 9. Rather, these findings are intended as initial parameters for the review and evaluation of the claims in the present report.

E. Date of loss

32. There is no general principle with respect to the date of loss. It needs to be addressed on a case by case basis. In addition, the individual loss elements of each claim may give rise to different dates if analysed strictly. However, applying a different date to each loss element within a particular claim is impracticable as a matter of administration. Accordingly, the Panel has decided to determine a single date of loss for each claimant which in most cases coincides with the date of the collapse of the project.

F. Currency exchange rate

33. While many of the costs incurred by the claimants were denominated in currencies other than United States dollars, the Commission issues its awards in that currency. Therefore the Panel is required to determine the appropriate rate of exchange to apply to losses expressed in other currencies.

34. Several of the claimants have argued that their contracts contain currency exchange rates and, therefore, that these contractually agreed exchange rates should apply to all of their losses. The Panel agrees that, as a general rule, the exchange rate set forth in the contract is the appropriate rate for losses under the relevant contracts because this was specifically agreed by the parties.

35. For losses that are not contract based, however, the contract rate is not usually an appropriate rate of exchange. In the claims before the Panel, the valuation of tangible assets was not contemplated by the parties when agreeing to an exchange rate in the underlying contracts. In addition, these types of items are readily traded on the international markets. A rate of exchange determined by reference to such international trading appears to this Panel to be an appropriate one to apply to such claims. In this context, the United Nations Monthly Bulletin of Statistics has been the source of commercial exchange rates for all preceding Commission awards. Therefore, for non-contractual losses, the Panel finds the appropriate exchange rate to be the prevailing commercial rate, as evidenced by the United Nations Monthly Bulletin of Statistics, on the date of loss.

G. Interest

36. On the issue of the appropriate interest rate to be applied, the relevant Governing Council decision is decision 16 (S/AC.26/1992/16). According to that decision, "[i]nterest will be awarded from the date the loss occurred until the date of payment, at a rate sufficient to compensate successful claimants for the loss of use of the principal amount of the award". In decision 16 the Governing Council further specified that "[i]nterest will be paid after the principal amount of awards", while postponing any decision on the methods of calculation and payment.

37. The Panel recommends that interest shall run from the date of loss.

H. Evidentiary requirements

38. Pursuant to article 35(3) of the Rules, corporate claims must be supported by documentary and other appropriate evidence sufficient to demonstrate the circumstances and amount of the claimed loss. The Governing Council has stated in paragraph 5 of decision 15 that, with respect to business losses, there "will be a need for detailed factual descriptions of the circumstances of the claimed loss, damage or injury" in order to justify a recommendation for compensation.

39. The Panel takes this opportunity to emphasize that what is required of a claimant by article 35(3) of the Rules is the presentation to the Commission and the Panel of evidence that must go to both causation and quantum. The Panel's interpretation of what is appropriate and sufficient evidence will vary according to the nature of the claim. That standard is also affected by the fact that, in the case of the claims which are the subject of this report, Iraq's input is limited to the participation defined by article 16 of the Rules. In implementing this approach, the Panel applied the relevant principles extracted from those within the corpus of principles referred to in article 31 of the Rules. The Panel returns to this important topic at paragraph 45 and following.

I. Claims preparation costs

40. Some claimants sought to recover compensation for the cost of preparing their claims. The compensability of claim preparation costs has not hitherto been ruled on and will be the subject, in due course, of a specific decision by the Governing Council. Accordingly, the Panel makes no recommendation with respect to costs of claim preparation in any of the claims where it is raised.

III. AMPLIFICATION OF THE REVIEW PROCESS: THE PROCEDURE

41. The Panel has now had the opportunity to review a considerable number of claims in the population of construction and engineering claims allocated to it. It has had the opportunity to analyse many of the issues

that are likely to arise in these construction cases; and has had the benefit of many decisions by other Panels. In the result, this is a convenient time and place for it to address two matters. First, it wishes to make some comments on the procedure involved in evaluating the claims put before it and of formulating recommendations for the consideration of the Governing Council. Second, and at a later stage, it will turn to some analyses of recurrent issues. The comments on procedure are for the purpose of bringing transparency to the decision making process of this Panel.

A. Consistency in Panel decisions

42. It may be that the Anglo-Saxon doctrine of precedent should not apply to the deliberations and recommendations of the Panels. Nonetheless, once a motivated recommendation of one panel is adopted by a decision of the Governing Council, it is something to which other panels must give great weight.

43. One may assume that there has been a claim upon which a Panel has already issued a recommendation supported by a full analysis. A subsequent claim is then presented to another Panel. As it happens, that subsequent claim manifests the same characteristics as the prior claim. In that event, the second Panel will follow the principle developed by the prior Panel. Of course, there may still be differences inherent in the two claims at the level of proof of causation or quantum. Nonetheless the principle will be the same.

44. Alternatively, that second claim will manifest different characteristics to the first claim. In that event, those different characteristics may give rise to a different issue of principle and thus warrant a different conclusion by the subsequent Panel to that of the previous Panel.

B. Evidence of loss

1. Sufficiency of evidence

45. At the end of the day, claims that are not supported by sufficient and appropriate evidence fail. And in the context of the construction claims that are before this Panel, the most important evidence is documentary. It is in this context that the Panel records that a syndrome which it found striking when it addressed the claims included in the Fifth Report has continued to manifest itself in the claims included in this report. This was the reluctance of claimants to make critical documentation available to the Panel.

46. Imperatively, the express wording of decision 46 of the Governing Council requires that "... claims received in categories "D", "E", and "F" must be supported by documentary and other appropriate evidence sufficient

to demonstrate the circumstances and amount of the claimed loss...". In this same decision, the Governing Council decided that "...no loss shall be compensated by the Commission solely on the basis of an explanatory statement provided by the claimant,...". (S/AC.26/1998/46)

47. The Panel notes that some of the claimants in this instalment sought to explain the lack of documentation by asserting that all the documentation was in areas of civil disorder and was destroyed, or, at least, cannot be accessed. Every single one of the claimants is or was based outside Iraq. The Panel is quite simply unprepared to believe that relevant duplicates of important documents, if not original records, were not kept at offices outside Iraq.

48. What is more, the absence of any relevant contemporary record to support a particular claim means that the claimant is inviting the Panel to make an award, often of millions of dollars, on no foundation other than the assertion of the claimant. This would not satisfy the "sufficient evidence" rule in article 35(3) of the Rules. It is something that the Panel is unable to do.

2. Sufficiency under article 35(3): The obligation of disclosure

49. Next in the context of the documentary evidence, this Panel wishes to highlight that claims must be supported by sufficient documentary and other appropriate evidence. This involves bringing to the attention of the Commission all material aspects of the claim, whether such aspects are seen by the claimant as beneficial to or reductive of its claims. The obligation is not dissimilar to good faith requirements under domestic jurisdictions.

3. Missing documents: The nature and adequacy of the paper trail

50. The Panel now turns to the question of what a claimant must do.

51. Where documents cannot be supplied, their absence must be explained in a credible manner. The explanation must itself be supported by the appropriate evidence. Claimants may also supply substitute documentation for or information about the missing documents. Claimants must remember that the mere fact that they suffered a loss at the same time as the hostilities in the Persian Gulf were starting or were in process does not mean that the loss was directly caused by Iraq's invasion and occupation of Kuwait. A causative link must be established. It should also be borne in mind that it was not the intention of the Security Council in its resolutions to provide a "new for old" basis of reimbursement of the losses suffered in respect of tangible property. Capital goods depreciate. That depreciation must be taken into account and demonstrated in the evidence filed with the Commission. In sum, in order for evidence to be considered appropriate and sufficient to demonstrate a loss, the Panel expects

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claimants to present to the Commission a coherent, logical and sufficiently evidenced file leading to the financial claims that they are making.

52. Of course, the Panel recognises that in time of civil disturbances, the quality of proof may fall below that which would be submitted in a peace time situation. Persons who are fleeing for their lives do not stop to collect the audit records. Allowances have to be made for such vicissitudes. But the fact that offices on the ground in Kuwait, for example, were looted and/or destroyed would not explain why claimants have not produced documentary records that would reasonably be expected to be found at claimants' head offices situated in other countries.

53. The Panel has approached the claims in the light of the general and specific requirements to produce documents noted above. Where there has been a lack of documentation, combined with no or no adequate explanation for that lack, and an absence of alternative evidence to make good any part of that lack, the Panel has had no opportunity or basis upon which to make a recommendation.

C. Amending claims after filing

54. In the course of the administration of the claims after they have been filed with the Commission, further information is sought from the claimants pursuant to the Rules. When the claimants respond they sometimes seek to use the opportunity to amend their claims. They add new loss elements. They increase the amount originally sought in respect of a particular loss element. They transfer monies between or otherwise adjust the calculation of two or more loss elements. They do all of these.

55. The Panel notes that the period for filing category "E" claims expired on 1 January 1996. The Governing Council approved a mechanism for these claimants to file unsolicited supplements until 11 May 1998. A response, post 11 May 1998, to an inquiry for additional evidence is not an opportunity for a claimant to increase the quantum of a loss element or elements or to seek to recover in respect of new loss elements. In these circumstances, the Panel is unable to take into account such increases nor such new loss elements when it is formulating its recommendation to the Governing Council. It does, however, take into account additional documentation where that is relevant to the original claims, either in principle or in detail. It also exercises its inherent powers to re-characterise a loss which is properly submitted as to time, but is inappropriately allocated.

56. Some claimants also file unsolicited submissions. These too sometimes seek to increase the original claim in the ways indicated in the previous paragraph. Such submissions when received after 11 May 1998 fall to be treated in the same way as amendments put forward in solicited supplements. Accordingly the Panel is unable to, and does not, take into

account such amendments when it is formulating its recommendation to the Governing Council.

IV. AMPLIFICATION OF THE REVIEW PROCESS: RECURRENT SUBSTANTIVE ISSUES

57. As noted above, the Panel has now had the opportunity to review a considerable number of claims in the population of construction and engineering claims allocated to it. It has had the opportunity to analyse many of the issues that are likely to arise in these construction contracts; and has had the benefit of many decisions by other Panels. It has dealt above, in Part III, with the procedure involved in evaluating the claims put before it and of formulating recommendations for the consideration of the Governing Council. It now turns to some analyses of the recurrent substantive issues that arise in construction contracts.

58. Many issues arise more than once in the various claims that are included in this instalment. Rather than repeat the Panel's analysis seriatim each time such an issue arises, it is convenient to address the principle in a paragraph at an early stage of this report.

59. The purpose of this exercise is the provision of a template for the individual claims, with the aim of compressing the reports of this Panel. It also makes available an analysis of key issues in a convenient place and format.

60. Some of these principal issues have been addressed in the procedural history and legal framework above. Others are addressed in this section of the report.

A. Contract losses

1. Advance payments

61. Many construction contracts provide for an advance payment to be made by the employer to the contractor. These advance payments are often calculated as a percentage of the initial price (initial, because many such contracts provide for automatic and other adjustments of the price during the execution of the works). The purpose of the advance payment is to facilitate certain activities which the contractor will need to carry out in the early stages.

62. Mobilisation is often one such activity. Plant and equipment may need to be purchased. A workforce will have to be assembled and transported to the work site, where facilities will be needed to accommodate it. Another such activity is the ordering of substantial or important materials which are in short supply and may, therefore, be available only at a premium and/or at a long lead time.

63. Advance payments are usually secured by a bond provided by the contractor, and are usually paid upon the provision of the bond. They are frequently repaid over a period of time by way of deduction by the employer from the sums which are payable at regular intervals (often monthly) to the contractor for work done. See, in the context of payments which are recovered over a period of time, the observations about amortisation at paragraph 82, infra. Those observations apply mutatis mutandis to the repayment of advance payments.

64. The Panel notes that some claimants presenting claims have not clearly accounted for the amounts of money paid to them earlier by the Iraqi employer. This Panel regularly sees evidence of advance payments amounting to tens of millions of United States dollars. The Panel would expect these payments to be deductible from the claimed amounts for contract losses. It follows that where advance payments have been part of the contractual arrangements between the claimant and the employer, the claimant must account for these payments in reduction of its claims, unless these payments can be shown to have been recouped in whole or in part by the employer. Where no explanation or proof of repayment is forthcoming, the Panel has no option but to conclude that these amounts paid in advance are due, on a final accounting, to the employer, and must be deducted from the claimant's claim.

2. Losses arising as a result of unpaid retentions

65. The claims before this Panel include requests for compensation for what could be described as another form of deferred payment, namely unpaid retention.

66. Under many if not most construction contracts, provision is made for the regular payment to the contractor of sums of money during the performance of the work under the contract. The payments are often monthly, and often calculated by reference to the amount of work that the contractor has done since the last regular payment was calculated.

67. Where the payment is directly related to the work done, it is almost invariably the case that the amount of the actual (net) payment is less than the contractual value of the work done. This is because the employer retains in his own hands a percentage (usually 5 per cent or 10 per cent and with or without an upper limit) of that contractual value. (The same approach usually obtains as between the contractor and his subcontractors.) The retained amount is often called the "retention" or the "retention fund". It builds up over time. The less work the contractor had carried out before the project comes to an early halt, the smaller the fund.

68. The retention is usually payable in two stages, one at the commencement of the maintenance period, as it is often called, and the other at the end. The maintenance period usually begins when the employer first takes over the project, and commences to operate or use it. Thus the

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work to which any particular sum which is part of the retention fund relates may have been executed a very long time before the retention fund is payable.

69. Retention fund provisions are very common in the construction world. The retention fund serves two roles. It is an encouragement to the contractor to make good defects appearing before or during the maintenance period. It also provides a fund out of which the employer can reimburse itself for defects that appear before or during the maintenance period which the contractor has, for whatever reason, failed or refused to make good.

70. In the claims before this Panel, events - in the shape of Iraq's invasion and occupation of Kuwait - have intervened. The contract has effectively come to an end. There is no further scope for the operation of the retention provisions. It follows that the contractor, through the actions of Iraq, has been deprived of the opportunity to recover the money. In consequence the claims for retention fall within the jurisdiction of the Commission.

71. In the light of the above considerations it seems to this Panel that the situation in the case of claims for retention is as follows:

(a) The evidence before the Commission may show that the project was in such trouble that it would never have reached a satisfactory conclusion. In such circumstances, there can be no positive recommendation, principally because there is no direct causative link between the loss and the invasion and occupation of Kuwait.

(b) Equally it may be the case that the evidence may show that the project would have reached a conclusion, but that there would have been problems to resolve. Accordingly the contractor would have had to expend money resolving those problems. That potential cost would have to be deducted from the claim for retention; and accordingly the most convenient course would be to recommend an award to the contractor of a suitable percentage.

(c) Finally, on the evidence it may be the case that there is no reason to believe or conclude that the project would have gone other than satisfactorily. In those circumstances, it seems that the retention claim should succeed.

3. Claims for contract losses with a Kuwaiti party

72. Some of the claims relate to losses suffered as a result of non-payment by a Kuwaiti or other entity. The fact of such a loss, simpliciter, does not establish it as a direct loss within the meaning of Security Council resolution 687 (1991). In order to obtain compensation, a claimant should lodge sufficient evidence that the Kuwaiti or other entity

carrying on business in Kuwait on 2 August 1990 was unable to make payment as a direct result of Iraq's invasion and occupation of Kuwait. A good example of this would be that the party was insolvent and that that insolvency was a direct result of the illegal invasion and occupation of Kuwait. At the very least a claimant should demonstrate that the Kuwaiti or other party had not renewed operations in Kuwait after the occupation. In the event that there are multiple factors which have resulted in the failure to resume operations, apart from the proved insolvency of the Kuwaiti or other party, the Panel will have to be satisfied that the effective reason or causa causans was Iraq's invasion and occupation of Kuwait. Any failure to pay because the Kuwaiti or other party was excused from performance by the operation of Kuwaiti law which came into force after Iraq's invasion and occupation of Kuwait is in the opinion of this Panel the result of a novus actus interveniens and it is not a direct loss arising out of Iraq's invasion and occupation of Kuwait.

B. Claims for overhead and "lost profits"

1. General

73. Any construction project can be broken down into a number of components. All of these components contribute to the pricing of the works. In the Panel's view, it is helpful for the examination of these kinds of claims to begin by rehearsing in general terms the way in which many contractors in different parts of the world construct the prices that ultimately appear in the construction contracts they sign. Of course, there is no absolute rule as to this process. Indeed, it is unlikely that any two contractors will assemble their bids in exactly the same way. But the constraints of construction work and the realities of the financial world impose a general outline from which there will rarely be a substantial deviation.

74. Many of the construction contracts encountered in this instalment contain a schedule of rates or a "bill of quantities". This document defines the amount to be paid to the contractor for the work performed. It is based on previously agreed rates or prices. The final contract price is the aggregate value of the work calculated at the quoted rates together with any variations and other contractual entitlements and deductions which increase or decrease the amount originally agreed.

75. Other contracts in this instalment are lump sum contracts. Here the schedule of rates or bill of quantities has a narrower role. It is limited to such matters as the calculation of the sums to be paid in interim certificates and the valuation of variations.

76. In preparing the schedule of rates, the contractor will plan to recover all of the direct and indirect costs of the project. On top of this will be an allowance for the "risk margin". In so far as there is an allowance for profit it will be part of the "risk margin". However,

whether or not a profit is made and, if made, in what amount, depends obviously on the incidence of risk actually incurred.

77. An examination of actual contracts combined with its own experience of these matters has provided the Panel with guidelines as to the typical breakdown of prices that may be anticipated on construction projects of the kind relevant to the claims included in this instalment.

78. The key starting point is the base cost - the cost of labour, materials and plant - the prix secs, as the French would have it. In another phrase, this is the direct cost. The direct cost may vary, but usually represents 65 to 75 per cent of the total contract price.

79. To this is added the indirect cost - for example the supply of design services for such matters as working drawings and temporary works by the contractor's head office. Typically, this indirect cost represents about 25 to 30 per cent of the total contract price.

80. Finally, there is what is called the "risk margin" - the allowance for the unexpected. The risk margin is generally in the range of between barely above zero and five per cent of the total contract price. The more smoothly the project goes, the less the margin will have to be expended. The result will be enhanced profits, properly so called, recovered by the contractor at the end of the day. The more the unexpected happens and the more the risk margin has to be expended, the smaller the profit will ultimately be. Indeed, the cost of dealing with the unexpected or the unplanned may equal or exceed the risk margin, leading to a nil result or a loss.

81. In the view of the Panel, it is against this background that some of the claims for contract losses need to be seen.

2. Head office and branch office expenses

82. These are generally regarded as part of the overhead. These costs can be dealt with in the price in a variety of ways. For example, they may be built into some or all of the prices against line items; they may be provided for in a lump sum; they may be dealt with in many other ways. One aspect, however, will be common to most, if not all, contracts. It will be the intention of the contractor to recover these costs through the price at some stage of the execution of the contract. Often the recovery has been spread through elements of the price, so as to result in repayment through a number of interim payments during the course of the contract. Where this has been done, it may be said that these costs have been amortised. This factor is relevant to the question of double counting (see paragraph 85 infra).

83. If therefore any part of the price of the works has been paid, it is likely that some part of these expenses has been recovered. Indeed, if

these costs have been built into items which are paid early, a substantial part or even all of these costs may have been recovered.

84. If these items were the subject of an advance payment, again they may have been recovered in their entirety at an early stage of the project. Here of course there is an additional complication, since the advance payments will be credited back to the employer - see paragraph 63, supra - during the course of the work. In this event, the Panel is thrown back onto the question of where in the contractor's prices payment for these items was intended to be.

85. In all these situations, it is necessary to avoid double-counting. By this the Panel means the situation where the contractor is specifically claiming, as a separate item, elements of overhead which, in whole or in part, are also covered by the payments made or claims raised for work done.

86. The same applies where there are physical losses at a branch or indeed a site office or camp. These losses are claimable, if claimable at all, as loss of tangible assets.

3. Loss of profits on a particular project

87. Governing Council decision 9, paragraph 9, provides that where "continuation of the contract became impossible for the other party as a result of Iraq's invasion and occupation of Kuwait, Iraq is liable for any direct loss the other party suffered as a result, including lost profits".

88. As will be seen from the observations at paragraphs 73 to 81, supra, the expression "lost profits" is an encapsulation of quite a complicated concept. In particular, it will be appreciated that achieving profits or suffering a loss is a function of the risk margin and the actual event.

89. The qualification of "margin" by "risk" is an important one in the context of construction contracts. These contracts run for a considerable period of time; they often take place in remote areas or in countries where the environment is hostile in one way or another; and of course they are subject to political problems in a variety of places - where the work is done; where materials, equipment or labour have to be procured; and along supply routes. The surrounding circumstances are thus very different and generally more risk prone than is the case in the context of, say, a contract for the sale of goods.

90. In the view of the Panel it is important to have these considerations in mind when reviewing a claim for lost profits on a major construction project. In effect one must review the particular project for what might be called its "loss possibility". The contractor will have assumed risks. It will have provided a margin to cover these risks. He will have to demonstrate a substantial likelihood that the risks would not occur or

would be overcome within the risk element so as to leave a margin for actual profit.

91. This approach, in the view of the Panel, is inherent in the thinking behind paragraph 5 of Governing Council decision 15. This paragraph expressly states that a claimant seeking compensation for business losses such as loss of profits, must provide "detailed factual descriptions of the circumstances of the claimed loss, damage or injury" in order for compensation to be awarded.

92. In the light of the above analysis, and in conformity with the two decisions cited above, this Panel requires the following from those construction claimants that seek to recover for lost profits. First, the phrase "continuation of the contract" imposes a requirement on the claimant to prove that it had an existing contractual relationship at the time of the invasion. Second, the provision requires the claimant to prove that the continuation of the relationship was rendered impossible by Iraq's invasion and occupation of Kuwait. This provision indicates a further requirement that profits should be measured over the life of the contract. It is not sufficient to prove that there would have been a "profit" at some stage before the completion of the project. Such a proof would only amount to a demonstration of a temporary credit balance. This can even be achieved in the early stages of a contract, for example where the pricing has been "front-loaded" for the express purpose of financing the project. Instead, the claimant must lodge sufficient and appropriate evidence to show that the contract would have been profitable as a whole.

4. Loss of profits for future projects

93. Some claimants say they would have earned profits on future projects, not let at the time of Iraq's invasion and occupation of Kuwait. Such claims are of course subject to the sorts of considerations set out by the Panel in its review of claims for lost profits on individual projects. In addition, it is necessary for such a claimant to overcome the problem of remoteness. How can a claimant be certain that it would have won the opportunity to carry out the projects in question? If there was to be competitive tendering, the problem is all the harder. If there was not to be competitive tendering, what is the basis of the assertion that the contract would have come to the claimant?

94. Accordingly, in the view of the Panel, for such a claim to warrant a recommendation, it is necessary to demonstrate by sufficient documentary and other appropriate evidence a history of successful (i.e., profitable) operation, and a state of affairs which warrants the conclusion that the hypothesis that there would have been future profitable contracts is well founded. Among other matters, it will be necessary to establish a picture of the assets that were being employed so that the extent to which those assets would continue to be productive in the future can be determined. Balance sheets for previous years will have to be produced, along with

relevant strategy statements or like documents which were in fact utilised in the past. The current strategy statement will also have to be provided. In all cases, the Panel will be looking for contemporaneous documents rather than ones that have been formulated for the purpose of the claim; although the latter may have a useful explanatory or demonstrational role.

95. Such evidence is often difficult to obtain; and accordingly in construction cases such claims will only rarely be successful. And even where there is such evidence, the Panel is likely to be unwilling to extend the projected profitability too far into the future. The political exigencies of work in a troubled part of the world are too great to justify looking many years ahead.

C. Loss of monies left in Iraq: Funds in bank accounts

96. Some claimants sought to recover compensation for funds on deposit in Iraqi banks. Such funds were of course in Iraqi Dinars and were subject to exchange controls.

97. The first problem with these claims is that it is often not clear that there will be no opportunity in the future for the claimant to have access to and to use such funds. Indeed, many claimants, in their responses to interrogatories or otherwise have modified their original claims to remove such elements, as a result of obtaining access to such funds after the initial filing of their claim with the Commission.

98. Second, for such a claim to succeed it would be necessary to establish that in the particular case, Iraq would have permitted the exchange of such funds into hard currency for the purposes of export. For this, appropriate evidence of an obligation to this effect on the part of Iraq is required. Furthermore, the Panel notes that the decision to deposit funds in banks located in particular countries is a commercial decision, which a corporation engaged in international operations is required to make. In making this decision, a corporation would normally take into account the relevant country or regional risks involved.

99. In the claims the subject of this instalment, the Panel finds that the causal link in respect of this loss item is not direct. Consequently, the Panel has concluded that the claim for loss of use in this regard is speculative and not compensable by this Commission.

100. Turning from the particular to the general, the Panel, in analysing these claims has come to the conclusion that, in most cases, it will be necessary for a claimant to demonstrate (in addition to such matters as loss and quantum) that:

(a) the relevant Iraqi entity was under a contractual or other specific duty to exchange those funds for convertible currencies;

(b) Iraq would have permitted the transfer of the converted funds out of Iraq; and

(c) this exchange and transfer was prevented by Iraq's invasion and occupation of Kuwait.

101. Absent proof of these aspects of the matter, it is difficult to see how the claimant can be said to have suffered any "loss". In such circumstances, the Panel will have been unable to recommend compensation.

D. Tangible property

102. With reference to losses of tangible property located in Iraq, decision 9 provides that where direct losses were suffered as a result of Iraq's invasion and occupation of Kuwait with respect to tangible assets, Iraq is liable for compensation (paragraph 12). Typical actions of this kind would have been the expropriation, removal, theft or destruction of particular items of property by Iraqi authorities. Whether the taking of property was lawful or not is not relevant for Iraq's liability if it did not provide for compensation. It furthermore provides that in a case where business property had been lost because it had been left unguarded by company personnel departing due to the situation in Iraq and Kuwait, such loss may be considered as resulting directly from Iraq's invasion and occupation (paragraph 13).

103. Many of the construction claims that come before this Panel are for assets that were confiscated by the Iraqi authorities in 1992 or 1993. Here the problem is one of causation. By the time of the event, the invasion and occupation of Kuwait was over. Liberation was a year or more earlier. Numerous of the claimants had managed to obtain access to their sites to establish the position that obtained at that stage. In the cases the subject of this paragraph, the assets still existed. However, that initially satisfactory position was then overtaken by a general confiscation of assets by Iraqi authorities. While it sometimes seems to have been the case that this confiscation was triggered by an event which could be directly related to Iraq's invasion and occupation of Kuwait, in the vast majority of the cases that the Panel has seen, this was not the case. It was simply the result of a decision on the part of the authorities to take over these assets. The Panel has difficulty in seeing how these losses were caused by Iraq's invasion and occupation of Kuwait. On the contrary, it appears that they stem from an wholly independent event and accordingly are outside the jurisdiction of the Commission.

E. Payment or relief to others

104. Paragraph 21(b) of decision 7 specifically provides that losses suffered as a result of "the departure of persons from or their inability to leave Iraq or Kuwait" are to be considered the direct result of Iraq's invasion and occupation of Kuwait. Consistent with decision 7, therefore,

the Panel finds that evacuation and relief costs incurred in assisting employees in departing from Iraq are compensable to the extent proven.

105. Paragraph 22 of Governing Council decision 7 provides that "payments are available to reimburse payments made or relief provided by corporations or other entities to others - for example, to employees, or to others pursuant to contractual obligations - for losses covered by any of the criteria adopted by the Council".

106. The "E2" Panel has found this to mean that where a claimant has proven that a payment was made, as a form of relief or otherwise, in connection with one of the acts or consequences described in paragraph 21 of decision 7, then *such a payment is compensable by the Commission*.

107. The "E3" Panel found that the costs associated with evacuating and repatriating employees from Iraq between 2 August 1990 and 2 March 1991 are compensable to the extent that the costs are proven by the claimant. Compensable costs consist of "temporary and extraordinary expenses" related to the repatriation, including items such as transportation costs, lodging and food while in transit.

108. Accordingly, this Panel finds that the costs associated with evacuating and repatriating employees between 2 August 1990 and 2 March 1991 are compensable to the extent that such costs are proven by the claimant and are reasonable in the circumstances. Urgent temporary liabilities and extraordinary expenses relating to evacuation and repatriation, including transportation, food and accommodation, are in principle, compensable.

109. Many claimants did not provide a documentary trail detailing to perfection the expenses incurred in caring for their personnel and transporting them out of a theatre of hostilities.

110. In these cases the Panel considered it appropriate to accept a level of documentation consistent with the practical realities of a difficult, uncertain and often hurried situation, taking into account the concerns necessarily involved. The loss sustained by claimants in these situations is the very essence of the direct loss suffered which is stipulated by Security Council resolution 687 (1991). Accordingly, the Panel used its best judgement, after considering all relevant reports and the material at its disposal, to arrive at an appropriate figure.

111. The importance of recognising the laudable concerns of companies fulfilling their responsibilities of assisting their staff out of an hostile environment can never be overemphasised.

V. THE CLAIM OF LESCOMPLEKT LTD

112. Lescomplekt Ltd ("Lescomplekt") is a Bulgarian state-owned company. Its main activities are the study, design and maintenance of parks and green areas in urban and rural environments. Lescomplekt entered into a joint venture agreement on 4 June 1987 with a Kuwaiti company, Al Jahra Agricultural Products Equipments and Supplies Company ("Al Jahra") to "develop and execute landscape projects" for the Kuwaiti Public Authority for Agricultural and Fish Resources ("PAAF"). The share holding of the joint venture was Lescomplekt 49 percent and Al Jahra 51 percent. In October 1989 the joint venture won a contract with PAAF for the landscaping and maintenance of parks in downtown Kuwait ("the PAAF contract").

113. The joint venture was performing the PAAF contract when Iraq invaded Kuwait. Lescomplekt seeks compensation in the amount of US$1,042,868 for unpaid contractual amounts from PAAF, unpaid contractual amounts from Al Jahra and other individuals and companies in Kuwait, loss of profits, loss of tangible property, evacuation of personnel, salary payments, and repairs to motor vehicles.

A. Contract losses

1. Facts and contentions

114. Lescomplekt seeks compensation in the amount of KWD121,611 for contract losses in respect of agreements with PAAF, Al Jahra, and various other Kuwaiti individuals and companies.

115. In its claim form, Lescomplekt had characterised the losses incurred in relation to Al Jahra and the various Kuwaiti individuals and companies as losses relating to "business transaction or course of dealing", but the Panel finds that they are more accurately described as contract losses.

(a) Contract with PAAF

116. Lescomplekt asserts that PAAF owes it six separate amounts. The first amounts are of KWD17,489 and KWD13,530, which Lescomplekt asserts were owing on Interim Payment Certificates Number 7 and Number 8 respectively. Lescomplekt asserts that it had completed the work relating to both certificates, but the amounts were not paid by PAAF because of Iraq's invasion and occupation of Kuwait.

117. The third and fourth amounts relate to retention monies which Lescomplekt asserts PAAF was due to release at the same time that it was due to pay the certificates. The amount of KWD16,585 is in respect of monies retained for good performance of the contract. The amount of KWD8,293 is in respect of monies retained for tax clearance.

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118. The fifth amount of KWD9,285 and the sixth amount of KWD5,400 relate to the hiring of two water tank trucks. Lescomplekt asserts that it was forced to hire additional water tank trucks in order to perform the PAAF contract because public repair works had disrupted the public water supply. It claims that PAAF was liable for these additional costs, and did not pay them because of Iraq's invasion and occupation of Kuwait.

(b) Contract with Al Jahra

119. Lescomplekt asserts that its joint venture partner owes it three separate amounts. The first amount concerns an advance payment made from Lescomplekt to Al Jahra for the purpose of enabling Al Jahra to pay for the labour required to perform the PAAF contract. Lescomplekt asserts that Al Jahra was liable to repay this advance on a monthly basis, and that KWD30,361 remains outstanding. It seeks compensation in this amount.

120. The second amount is a deposit of KWD1,000 paid by Lescomplekt to Al Jahra for the purpose of securing the installation of a telephone line. Lescomplekt states that the telephone line was never installed and seeks compensation in the amount of KWD1,000.

121. The third amount is an amount which Lescomplekt states that Al Jahra was liable to transfer from an affiliated enterprise to the joint venture. Leskomplekt states that Al Jahra never effected the transfer and seeks compensation in the amount of KWD7,494.

(c) Contracts with individuals and companies

122. Lescomplekt seeks compensation in the total amount of KWD12,175 for unpaid amounts from other individuals and companies. The claims arise out of mulch sold (KWD2,900), the sale of a truck (KWD6,900) and landscape work it undertook (KWD2,375), for which it was not paid.

2. Analysis and valuation

(a) Contract with PAAF

123. The Panel finds that Lescomplekt has submitted sufficient evidence to demonstrate that the joint venture entered into the contract with PAAF, and that the amounts on certificates 7 and 8, and the retention monies, were due and owing from PAAF.

124. However, the Panel finds that Lescomplekt has not demonstrated that PAAF's continued failure to pay these amounts is the direct result of Iraq's invasion and occupation of Kuwait. It has provided no evidence that PAAF was rendered insolvent or ceased to exist as a result of Iraq's invasion and occupation of Kuwait.

125. In respect of the claims for the hiring of the two water tank trucks, Lescomplekt submitted no evidence that PAAF agreed to the hiring of the water tank trucks or that it accepted liability for the claimed amounts.

126. The Panel recommends no compensation for the six amounts which Lescomplekt claims it was owed by PAAF.

(b) Contract with Al Jahra

127. The Panel finds that Lescomplekt has not provided sufficient evidence to demonstrate that the three amounts allegedly owed by Al Jahra were in fact owed.

128. The Panel notes that Al Jahra was neither in liquidation nor rendered insolvent by Iraq's invasion and occupation of Kuwait. It has lodged its own claim with the Commission. Accordingly, the Panel finds that even if Lescomplekt had demonstrated that Al Jahra owed the three amounts, the loss of the amounts would not have been directly caused by Iraq's invasion and occupation of Kuwait but by the decision of Al Jahra not to pay the amounts.

129. The Panel recommends no compensation in respect of the three amounts which Lescomplekt asserts it was owed by Al Jahra.

(c) Contracts with individuals and companies

130. The Panel finds that Lescomplekt has not provided sufficient evidence that it was owed the amounts claimed from the other unrelated individuals and companies. The Panel recommends no compensation in respect of these amounts.

3. Recommendation for contract losses

131. The Panel recommends no compensation for contract losses.

B. Loss of profits

132. Lescomplekt seeks compensation in the amount of KWD45,625 for loss of profits relating to the PAAF contract.

133. Applying the approach taken with respect to loss of profits on a particular project set out in paragraphs 87 to 92, the Panel recommends no compensation.

C. Loss of tangible property

134. Lescomplekt asserts that on 2 August 1990, its site offices in the Rawda area of Kuwait were invaded and occupied by Iraqi troops, and its staff driven away. Lescomplekt asserts that the offices were robbed, the

office equipment looted, and vehicles parked in the vicinity of the site offices commandeered. It seeks compensation in the amount of KWD128,010 for the loss of the following items of property: (a) site office and furniture; (b) two tipper trucks; (c) two water tank trucks; (d) minibus; (e) agricultural machinery; (f) drip irrigation system; (g) pump station; (h) villa and flat furnishing; (i) guard room furniture; (j) workshop facilities; (k) plants and materials in stock; and (l) plants in the joint nursery.

135. Lescomplekt provided some evidence relating to the purchase of the items of tangible property, and where relevant, the import of the items into Kuwait. The type of documents submitted included contracts of sale, copies of cheques, invoices and shipping documents.

136. The Panel finds that the evidence provided by Lescomplekt does not adequately support its claim. For example, with respect to (a) site office and furniture, the claim is for KWD15,200, yet the sale agreements and invoices provided by Lescomplekt evidence a total price for office and furniture of far less than this amount.

137. With respect to the claim for (e) agricultural machinery, Lescomplekt submitted the sales invoices, but not the schedules to the invoices (referred to in the invoices). The Panel finds it impossible to establish whether the equipment shipped matches the equipment which Lescomplekt asserts was destroyed. The Panel makes the same comment in respect of the claim for (h) the villa and flat furnishing.

138. Although Lescomplekt has provided some evidence concerning the purchase of the various items of tangible property, Lescomplekt has provided insufficient evidence to demonstrate that the items were in Kuwait at the time of the invasion by Iraq, or owned by Lescomplekt at that time.

139. Lescomplekt submitted no evidence of the age of any of the items of tangible property, nor the valuation methodology adopted, despite this information being requested.

140. The Panel recommends no compensation for loss of tangible property.

D. Payment or relief to others

141. Lescomplekt seeks compensation in the amount of KWD5,166 for costs incurred in respect of (a) air tickets for 11 employees evacuated from Amman to Sofia (KWD1,045); (b) "extra salary as relief payment" which Lescomplekt claims it paid the 11 evacuees (KWD886); and (c) salary which Lescomplekt asserts it continued to pay to three of its employees who were held hostage by Iraq (KWD3,235).

142. The Panel finds that Lescomplekt has submitted sufficient evidence that it incurred the cost of 11 air tickets for the evacuation of its

employees. However, Lescomplekt indicated that the cost of the 11 airfares did not exceed the cost which it would have incurred in repatriating its employees after natural completion of the PAAF contract. The Panel therefore recommends no compensation for the cost of 11 airfares.

143. The Panel finds that Lescomplekt has submitted sufficient evidence that it incurred the losses relating to the extra salary and the hostages' salary. It provided copies of orders from Lescomplekt to the Bulgarian National Bank for payment of both of the amounts claimed. The claims are also supported by excerpts from Lescomplekt's September 1990 and January 1991 pay-sheets.

144. The Panel recommends compensation in the amount of KWD886 for extra salaries, and in the amount of KWD3,235 for the salaries of its three staff members who were held hostage.

145. The Panel recommends compensation in the amount of KWD4,121 (US$14,260) for payment or relief to others.

E. Mitigation expenses

146. Lescomplekt seeks compensation in the amount of KWD977 for the cost of repairing three motor vehicles.

147. The Panel finds that Lescomplekt has not provided sufficient evidence to substantiate its claim. It has provided no evidence of ownership of the three vehicles. Further, whereas Lescomplekt in its statement of claim described the three vehicles as "found badly damaged after occupation", the Panel notes that another document describes one vehicle as "in decent technical condition", another as "in good condition", and only the third as "without engine, number plates, radio-cassette and many other parts missing". The only evidence of the repairs are shipping invoices which record "autoservice" of the three vehicles and the supply of spare parts. Lescomplekt has provided no evidence that it paid for the repairs.

148. The Panel recommends no compensation for mitigation expenses.

F. Summary of recommended compensation for Lescomplekt

149. Based on its findings regarding Lescomplekt's claim, the Panel recommends compensation in the amount of US$14,260. The Panel finds the date of loss to be 2 August 1990.

VI. THE CLAIM OF TELECOMPLECT AD

150. Telecomplect AD ("Telecomplect") is a Bulgarian state-owned enterprise. At the time of Iraq's invasion and occupation of Kuwait it was working on a number of major projects for the Kuwaiti Ministry of Communications. It seeks compensation in the amount of US$825,394 for contract losses, loss of tangible property, payment or relief to others, financial losses, mitigation expenses, claim preparation costs and interest.

A. Contract losses

1. Facts and contentions

151. Telecomplect seeks compensation in the amount of (a) KWD3,404 for extraordinary expenses paid in relation to imported goods which were not delivered; and (b) KWD1,279 for advance payments made for goods not delivered.

152. In relation to loss element (a), Telecomplect asserts that it entered into a contract with Sohryu Sangyo Co. Ltd ("Sohryu") for the delivery of construction materials to Kuwait. Telecomplect made an advance payment to Sohryu. Sohryu air freighted the materials from Japan to Bangkok, but due to Iraq's invasion and occupation of Kuwait, the goods could not be shipped from Bangkok to Kuwait. Sohryu stored the goods in Bangkok, subsequently returned them to Japan, sold them at a reduced price, and deducted the extraordinary expenses relating to storage, transport and losses upon disposal of the goods from the advance payment made by Telecomplect. Telecomplect claims the extraordinary expenses as its loss.

153. In relation to loss element (b), Telecomplect asserts that it had a contract with a local Kuwaiti company, Bader Khorafi Plastic Industries ("Bader") for the manufacture and delivery of pipes and fittings for Telecomplect's projects. Telecomplect asserts that it made several advance payments to the supplier for materials, and at the time of Iraq's invasion and occupation of Kuwait, had undelivered material due in the amount of KWD1,279.

2. Analysis and valuation

154. The Panel finds that Telecomplect's loss in relation to the extraordinary expenses was directly caused by Iraq's invasion and occupation of Kuwait, and that Telecomplect has provided sufficient evidence that it incurred the loss. The Panel recommends compensation in the amount of KWD3,404 (US$11,779) for the extraordinary expenses incurred by Telecomplect.

155. The Panel finds that the loss of the advance payments was not directly caused by Iraq's invasion and occupation of Kuwait. As evidenced

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by a letter dated 16 December 1998 from Bader to the Commission, Bader was neither in liquidation nor rendered insolvent by Iraq's invasion and occupation of Kuwait, but is still in existence. The direct cause of Telecomplect's loss of the advance payments is the refusal of Bader to deliver the outstanding materials or to refund the advance payments. The Panel recommends no compensation for this loss element.

3. Recommendation for contract losses

156. The Panel recommends compensation in the amount of KWD3,404 (US$11,779) for contract losses.

B. Loss of tangible property

1. Facts and contentions

157. Telecomplect seeks compensation in the amount of KWD100,230 for loss of: (a) seven business vehicles (and the repair of an eighth vehicle) (KWD20,870); (b) 16 items of office furniture, fixtures and equipment (KWD3,274); (c) 17 items of machinery and tools (KWD15,061); and (d) inventory (materials, spare parts and foodstuffs) (KWD61,025).

158. Telecomplect provided audited reports for 1 August 1990 to 31 December 1991 which indicate that Telecomplect "disposed" of assets of the description for which it claims.

2. Analysis and valuation

(a) Business vehicles

159. The Panel finds that Telecomplect has provided sufficient evidence to prove the loss of the seven business vehicles. The Panel finds that the value of the seven vehicles was KWD13,147.

160. The Panel finds that Telecomplect has provided sufficient evidence to prove a loss of KWD1,170 in relation to repair of the eighth vehicle.

161. The Panel recommends compensation in the amount of KWD14,317 (US$49,540) for loss of business vehicles.

(b) Office furniture, fixtures and equipment

162. The Panel finds that Telecomplect has provided sufficient evidence to prove the loss of office furniture, fixtures and equipment to the value of KWD2,765.

163. The Panel recommends compensation in the amount of KWD2,765 (US$9,567) for loss of office furniture, fixtures and equipment.

(c) Machinery and tools

164. The Panel finds that Telecomplect has not provided sufficient evidence to prove the loss of machinery and tools. It provided purchase invoices in respect of only six of the 17 items of machinery and tools constituting its claim. Its audited accounts for 1 August 1990 to 31 December 1991 show that machinery and tools to the value of only KWD7,865 was disposed of, whereas the claim is for KWD15,061. The Panel is unable to determine from the evidence provided precisely what machinery and tools were lost or damaged directly due to Iraq's invasion and occupation of Kuwait.

165. The Panel recommends no compensation for loss of machinery and tools.

(d) Inventory (materials, spare parts and foodstuffs)

166. The Panel finds that Telecomplect has not provided sufficient evidence to prove the loss of materials. It provided invoices for only 69 lines of stock, out of the 163 lines constituting the claim. In many instances the invoices do not correlate exactly with the item claimed, but are close equivalents. The bulk of the items constituting the claim were purchased in June to August 1989, almost a year prior to the invasion. The audited accounts support the assertion that stock losses were suffered, but the Panel is unable to determine precisely what materials were lost or damaged directly due to Iraq's invasion and occupation of Kuwait. The Panel recommends no compensation for loss of materials.

167. The Panel finds that Telecomplect has not provided sufficient evidence to prove the loss of spare parts and foodstuffs as a direct result of Iraq's invasion and occupation of Kuwait. The Panel recommends no compensation for these items.

3. Recommendation for loss of tangible property

168. The Panel recommends compensation in the amount of KWD17,082 (US$59,107) for loss of tangible property.

C. Payment or relief to others

1. Facts and contentions

169. Telecomplect seeks compensation in the amount of KWD67,010 for (a) the salaries of 35 Bulgarian specialists which it asserts it continued to pay until their return to Baghdad (KWD46,537 for salaries; KWD13,961 for "social insurance"); (b) the salaries of seven local employees which it dismissed a few days after the invasion, but continued to pay for these several days (KWD811); (c) the cost of evacuating employees from Kuwait to Bulgaria (KWD210 for food; KWD680 for airfares); (d) the expenses of three employees using their own vehicles to travel from Kuwait to Bulgaria,

valued by Telecomplect at 50 percent of the cost of the airfare from Sofia to Kuwait (KWD385); and (e) the expenses of six employees detained in Baghdad (KWD4,425).

2. Analysis and valuation

(a) Salaries of 35 Bulgarian specialists

170. The Panel finds that Telecomplect has provided sufficient evidence to demonstrate that it employed the 35 Bulgarian specialists and that it paid them the salaries claimed. The Panel recommends compensation in the amount of KWD46,537 (US$161,028) for salaries.

171. Telecomplect provided no evidence to substantiate the social insurance cost, merely asserting that social insurance was 30 percent of the salaries paid. The Panel recommends no compensation for social insurance costs.

(b) Salaries of seven local employees

172. Telecomplect provided no evidence in support of this claim. It provided only a schedule prepared by itself listing the details of the seven employees. The Panel recommends no compensation for salaries paid to local employees.

(c) Evacuation of employees from Kuwait to Bulgaria

173. The Panel finds that Telecomplect has provided sufficient evidence to prove that it incurred the cost of KWD210 in food expenses for the 25 evacuees. The Panel recommends compensation in the amount of KWD210 (US$727) for food expenses of the employees.

174. The Panel finds that Telecomplect has provided sufficient evidence that it incurred the cost of KWD680 in air fares for the 25 evacuees. It provided two payment orders from Telecomplect to the Bulgarian Trade Bank for the amounts of US$1,000 and KWD387 respectively.

175. However, Telecomplect indicated that the cost of the 25 airfares did not exceed the cost which it would have incurred in repatriating its employees after natural completion of its contracts. The Panel therefore recommends no compensation for the airfares.

(d) Evacuation expenses of three employees using their own vehicles

176. The Panel finds that Telecomplect has provided sufficient evidence that the employees using their own vehicles to travel from Kuwait to Bulgaria were entitled to reimbursement by Telecomplect of 50 percent of the cost of train/air travel to Bulgaria. Telecomplect provided a document

entitled "Regulations concerning work conditions of Bulgarians working abroad" to this effect.

177. However, the Panel finds that Telecomplect would have incurred this cost in any event upon natural completion of its contracts in Kuwait. The Panel recommends no compensation for this loss element.

(e) Expenses of six employees delayed in Baghdad

178. Six of Telecomplect's employees stayed in Kuwait until 25 August 1990, on which date they were evacuated to Baghdad. A few days later they attempted to leave Iraq, but were stopped at the Iraq/Turkish border by Iraqi authorities and sent back to Baghdad. They returned to Kuwait for three days in September with the object of saving some of Telecomplect's assets, and then remained in Baghdad until 15 November 1990, when they finally returned to Bulgaria. Telecomplect claims compensation in the amount of KWD4,425 for expenses incurred by the six, namely, electricity/telephone, miscellaneous purchases from the Bulgarian embassy, petrol, taxis, bus tickets for the evacuation of the wife and children of one of the employees, and air tickets for the six employees from Baghdad to Sofia.

179. The Panel finds that Telecomplect has not provided sufficient evidence to explain how the electricity/telephone expenses, the miscellaneous purchases from the Bulgarian embassy, and the petrol expenses incurred in October 1990 were directly caused by Iraq's invasion and occupation of Kuwait. The Panel recommends no compensation in respect of these items.

180. The Panel finds that the petrol expenses of ID16 and ID14 incurred on 24 August 1990 and 25 August 1990 in the evacuation of the six employees from Kuwait to Baghdad, the taxi fare of US$100 incurred by the six employees when they attempted to leave Iraq in late August 1990, and the expense of ID76 in respect of the bus tickets for the wife and children of one of the detained employees were directly caused by Iraq's invasion and occupation of Kuwait. The Panel recommends compensation in the amounts of ID106 (US$341) and US$100 for these items.

181. The Panel finds that Telecomplect has provided no evidence in support of its claim for the air tickets of the six employees. The Panel recommends no compensation for this item.

3. Recommendation for payment or relief to others

182. The Panel recommends compensation in the amount of US$162,196 for payment or relief to others.

D. Financial losses

183. Telecomplect seeks compensation in the amount of KWD6,587 for financial losses in respect of (a) deposits which various public utilities have refused to refund because the relevant documents had been destroyed in the invasion (KWD3,899); and (b) residence penalties which various employees of Telecomplect have failed to refund (KWD2,688).

184. In its claim form, Telecomplect had characterised these loss elements as claims for payment or relief to others, but the Panel finds that they are more accurately described as financial losses.

185. In relation to loss element (a), Telecomplect asserts that it lost documents relating to (i) a telephone subscriber guarantee with the Ministry of Communication; (ii) an electricity supply guarantee with the Ministry of Electricity Works; (iii) a guarantee for two oxygen bottles; and (iv) a cabinets supply guarantee for Saudi Arabia. Because it lost these documents, Telecomplect asserts that it could not obtain a refund of the relevant deposits. Telecomplect has also included in this loss element a claim for telephone calls by an employee (KWD186) and a claim for property that was in the custody of a guard which went missing (KWD323).

186. In relation to loss element (b), Telecomplect asserts that it paid fines to the Kuwaiti authorities in July 1990 on behalf of its local workers in relation to delays in the extension of the workers' visas. The fines were due to be deducted from the workers' salaries over a number of months (unspecified) from July 1990. The amounts were never deducted because the workers departed from Kuwait when Iraq invaded Kuwait. The non-refunded fines total KWD2,688, the amount for which Telecomplect seeks compensation.

187. Telecomplect has provided no evidence in support of its claim for financial losses. In particular, it has provided no evidence of any attempt to recover the deposit guarantees from the service providers, or the residence penalties from the workers.

188. The Panel recommends no compensation for financial losses.

E. Mitigation expenses

1. Facts and contentions

189. Telecomplect seeks compensation in the amount of KWD10,270 for expenses arising out of its attempts to mitigate its losses. Its claim comprises four heads: (a) cost of transporting materials to a safer place/delivering seven cars out of Kuwait (KWD1,100); (b) cost of arranging new car registration (KWD1,600); (c) cost of transporting 11 cars out of Kuwait to Bulgaria (KWD5,559); and (d) cost of transporting nine cars from Bulgaria back to Kuwait (KWD2,011).

190. In its claim form, Telecomplect had characterised loss elements (b), (c) and (d) as claims for payment or relief to others, but the Panel finds that they are more accurately described as mitigation expenses.

2. Analysis and valuation

(a) Transporting material to a safer place/delivering seven cars out of Kuwait

191. Telecomplect asserts that in November 1990 it paid a local citizen of Kuwait, "Mr Alfar", to help protect some of Telecomplect's assets. Mr Alfar allegedly transported some materials and equipment from Telecomplect's warehouse to three safer locations in Kuwait, and led seven of Telecomplect's cars out of Kuwait.

192. The Panel finds that the cost of transporting the materials and equipment to a safer place and delivering the seven cars out of Kuwait, is compensable as a mitigation expense incurred in good faith and at reasonable cost. The Panel finds that Telecomplect has provided sufficient evidence to support the claim.

193. The Panel recommends compensation in the amount of KWD1,100 (US$3,806) for this loss element.

(b) Cost of arranging new car registration

194. Telecomplect asserts that it avoided the confiscation of its vehicles by Iraq by obtaining new car registration papers. It asserts that it paid "Mr Alfar" KWD1,600 to obtain the papers.

195. The Panel finds that the cost of arranging the new car papers is compensable as a mitigation expense incurred in good faith and at reasonable cost. The Panel finds that Telecomplect has provided sufficient evidence to support the claim.

196. The Panel recommends compensation in the amount of KWD1,600 (US$5,536) for this loss element.

(c) Cost of transporting 11 cars out of Kuwait to Bulgaria

197. In order to save some of its vehicles, Telecomplect decided to drive 11 of them from Kuwait to Bulgaria. Telecomplect seeks compensation in the total amount of KWD5,559 for the expenses of the trip, including the cost of flying two employees from Bulgaria to Iraq to undertake the trip, the cost of bus tickets for nine employees bussed from Bulgaria to Iraq to undertake the trip, petrol, accommodation, customs/taxes, and the business trip allowances of the 11 employee drivers.

198. The Panel finds that Telecomplect has provided sufficient evidence that it incurred the following costs in respect of the trip, and that the costs are compensable as mitigation expenses incurred in good faith and at reasonable cost:

Table 1: Cost of transporting 11 cars out of Kuwait to Bulgaria

Cost	Original currency	US$ conversion
Air tickets for two employees	BGL 2610	USD 870
Bus tickets for nine employees	BGL 22,223	USD 7,408
Petrol expenses	TRL 1,736,200	USD 645
	KWD 65	USD 225
	IQD 40	USD 129
Car registration forms	USD 550	USD 550
Accommodation expenses	SYP 3,750	USD 334
	TRL 3,112,995	USD 1,156
Customs	SYP 9,556	USD 851
Road taxes	TRL 242,000	USD 90
Business trip allowances	USD 4,101	USD 4,101
Total		USD 16,359

199. The Panel recommends compensation in the total amount of US$16,359 for the cost of transporting 11 cars from Kuwait to Bulgaria.

(d) Cost of transporting nine cars from Bulgaria back to Kuwait

200. Telecomplect asserts that after the invasion cars were very expensive in Kuwait, and therefore, when it renewed its activity in Kuwait, it decided to drive nine of its cars back to Kuwait from Bulgaria. It seeks compensation in the total amount of KWD2,011 for the expenses of this trip including the cost of car permits, visas, insurance, petrol, car repairs, accommodation, taxes, and the business trip allowances of the nine employee drivers.

201. The Panel finds that Telecomplect has provided sufficient evidence that it incurred the following costs in respect of the trip, and that the costs are compensable as mitigation expenses incurred in good faith and at reasonable cost:

Table 2: Cost of transporting nine cars from Bulgaria back to Kuwait

Cost	Original currency		US$ conversion	
Car permits	SYP	706	USD	63
Visa entries	JOD SYP	36 2,250	USD USD	55 200
Insurance	BGL JOD SYP	738 64 810	USD USD USD	246 97 72
Petrol expenses	BGL TRL JOD SAR	1,800 2,910,945 18 744	USD USD USD USD	600 1081 27 199
Car repairs	JOD	60	USD	91
Accommodation expenses	JOD TRL	506 196,762	USD USD	769 73
Various taxes	TRL SAR JOD	150,000 450 84	USD USD USD	56 120 128
Business trip allowances	USD	2,520	USD	2,520
Total			USD	6,397

202. The Panel recommends compensation in the total amount of US$6,397 for the cost of transporting nine cars from Bulgaria back to Kuwait.

3. Recommendation for mitigation expenses

203. The Panel recommends compensation in the amount of US$32,098 for mitigation expenses.

F. Claim preparation costs

204. Telecomplect seeks compensation in the amount of KWD7,033 for claim preparation costs, including the cost of photographs taken in Kuwait after the war for the purposes of its claim. Applying the approach taken with respect to claim preparation costs set out in paragraph 40, the Panel makes no recommendation for claim preparation costs.

G. Interest

205. Telecomplect seeks compensation in the amount of KWD42,615 for interest calculated at the rate of 7 percent simple interest from 2 August 1990 until the date of the submission of its statement of claim on 31 December 1993. Applying the approach taken with respect to interest set out in paragraphs 36 to 37, the Panel makes no recommendation in respect of interest.

H. Summary of recommended compensation for Telecomplect

206. Based on its findings regarding Telecomplect's claim, the Panel recommends compensation in the amount of US$265,180. The Panel finds the date of loss to be 2 August 1990.

VII. THE CLAIM OF CHINA CIVIL ENGINEERING CONSTRUCTION CORPORATION

207. China Civil Engineering Construction Corporation ("China Civil"), is a Chinese state-owned enterprise which provides technical labour for overseas civil works.

208. In its original claim dated 16 March 1993, China Civil sought compensation in the amount of US$682,212 for lost profits on five labour contracts; evacuation expenses for 319 of its employees evacuated from Iraq and Kuwait; and rental paid in advance.

209. In a revised statement of claim submitted to the Commission on 23 December 1998, China Civil increased the amounts of the existing loss elements and submitted five new loss elements. China Civil submitted another new loss element in its Article 34 response submitted to the Commission on 8 January 1999. This brought the total amount of its claim to US$9,224,548.

210. Applying the approach taken with respect to amending claims after filing set out in paragraphs 54 to 56, the Panel does not take into account the new loss elements submitted in the revised statement of claim, or the new loss element submitted in the Article 34 response.

A. Loss of profits

211. China Civil seeks compensation in the amount of US$110,821 (increased to US$516,179 in the revised statement of claim) for the loss of profits on five contracts for the supply of labour. One contract was being performed in Iraq and the other four were Kuwaiti based.

212. In its claim form, China Civil had characterised this claim as a claim for contract losses, but the Panel finds that it is more accurately described as a loss of profits claim.

213. In its original statement of claim, China Civil calculates its loss of profits by adding together two components, namely, 15 percent of the monthly salary payments which remain payable on the contract, and a "mobilisation fee" multiplied by the number of workers the subject of the particular contract.

214. In its revised statement of claim, China Civil calculates its loss of profits by deducting monthly expenses from the monthly salaries payable under the respective contract. The Panel notes that this results in a profit rate for each of the five contracts of between 30 percent and 45 percent, depending on the particular contract.

215. Applying the approach taken with respect to loss of profits on a particular project set out in paragraphs 87 to 92, the Panel recommends no compensation for loss of profits.

B. Payment or relief to others

1. Facts and contentions

216. China Civil seeks compensation in the amount of US$473,811 (increased to US$489,890 in the revised statement of claim) arising out of the evacuation of 319 employees (increased to 320 employees in the revised statement of claim) out of Kuwait and Iraq. The claim is constituted by: (a) airfares (US$311,726; decreased to US$311,688 in the revised statement of claim); (b) war risk insurance premium (US$114,235; decreased to US$114,202 in the revised statement of claim); and (c) accommodation and other expenses incurred by the evacuees in Iraq/Kuwait, Jordan and China (US$47,850; increased to US$64,000 in the revised statement of claim).

2. Analysis and valuation

(a) Airfares

217. The Panel finds that China Civil has provided sufficient evidence that it incurred the cost of airfares for its evacuees. It has provided a list of the names of all 320 evacuees, and two separate lists of the names of 56 evacuees from Iraq and the names of 264 evacuees from Kuwait. It has provided duplicate receipts issued by Air China, dated 21 August 1990. One receipt is for the amount of RMB1,472,000, and the other is for the same amount stated in US dollars, ie, US$311,688 (US$974 per person).

218. China Civil states that "as stipulated in the labour service contracts signed between CCECC and Iraqi or Kuwait employers, the round-trip airfare or return-trip airfare should be borne by employers". An examination of the terms of the labour contracts provided by China Civil shows that the Iraqi/Kuwaiti employer would have borne the cost of the airfare from Iraq/Kuwait back to China on natural completion of the contract, in respect of 170 workers which China Civil had despatched to Iraq/Kuwait. China Civil would have borne the cost in respect of 133 workers. There is no evidence of who would have borne the cost of the airfares for the remaining 17 workers.

219. In respect of the 170 workers for whose repatriation the employer would have paid on natural completion of the contract, the costs of the airfares incurred by China Civil exceeded the costs which China Civil would have incurred in any event. Accordingly the Panel reccomends compensation in the amount of US$165,508 for these 170 workers.

220. In respect of the 133 workers for whose repatriation China Civil would have paid on natural completion of the contract, there is no evidence that the airfares for the evacuation exceeded the airfares which China Civil would have incurred in any event. The Panel recommends no compensation for the airfares of these 133 workers.

221. The Panel is unable to recommend compensation in respect of the remaining 17 workers as it has no evidence of who would have borne the cost of their repatriation.

(b) War risk insurance premium

222. The Panel finds that China Civil has provided sufficient evidence to substantiate its claim for the "war risk insurance premium". This was an additional charge levied by the airline that China Civil had to pay in the circumstances to be able to evacuate its employees and that related to increased risk in the Middle East war. China Civil has provided duplicate receipts issued by Air China, dated 23 October 1990. One receipt is for the amount of RMB539,429, and the other is for the same amount stated in US dollars, ie, US$114,202.

223. The Panel recommends compensation in the amount of US$114,202 for the war risk insurance premium.

(c) Accommodation and other expenses

224. China Civil provided no evidence that it incurred the accommodation and other expenses of the 320 evacuees. The Panel recommends no compensation for this loss element.

3. Recommendation for payment or relief to others

225. The Panel recommends compensation in the amount of US$279,782 for payment or relief to others.

C. Financial losses

226. China Civil seeks compensation in the amount of US$97,580 (increased to US$118,061 in the revised statement of claim) for the loss of advance rental allegedly paid in respect of its Iraqi branch office.

227. The Panel finds that the prepaid rent is part of the overheads of China Civil. Applying the approach taken with respect to head office and branch office expenses set out in paragraphs 82 to 86, the Panel recommends no compensation for prepaid rent.

D. Summary of recommended compensation for China Civil

228. Based on its findings regarding China Civil's claim, the Panel recommends compensation in the amount of US$279,782. The Panel finds the date of loss to be 2 August 1990.

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VIII. THE CLAIM OF CHINA HARBOUR ENGINEERING COMPANY

229. China Harbour Engineering Company ("China Harbour") is a Chinese state-owned enterprise which was involved in the provision of labour and civil construction in Kuwait. China Harbour seeks compensation in the amount of US$2,623,588 for loss of tangible property, payment or relief to others and rental paid in advance.

A. Loss of tangible property

1. Facts and contentions

230. China Harbour seeks compensation in the amount of US$836,203 for the loss of: (a) tangible property located in China Harbour's Kuwaiti office (US$192,042); (b) property located on project sites where China Harbour was working as a subcontractor (US$52,811); (c) eight vehicles owned by China Harbour (US$96,980); and (d) 19 vehicles borrowed by China Harbour for the purpose of evacuating its employees (US$494,370).

2. Analysis and valuation

(a) Loss in Kuwaiti office

231. China Harbour asserts that the property located in its Kuwaiti office, consisting mainly of office furniture, office equipment, electrical equipment and household goods, was either stolen or destroyed by the Iraqis.

232. The Panel finds that China Harbour has provided sufficient evidence to prove that it lost some tangible property in a Kuwaiti office. It has provided a copy of a lease agreement for a villa in Kuwait, and a receipt for the payment of rental for the period 15 July 1990 to 15 October 1990. It has provided a declaration dated 27 May 1993 by the landlord of the villa which states that he rented the villa to China Harbour as their office and residence, that after the invasion China Harbour left the property in the "attached Inventory List" in the villa, and that all of the items on the list were lost or damaged in the invasion.

233. However, the only evidence of ownership of the property is three illegible receipts. China Harbour has provided no evidence of the age or value of the property. It has not even stated which property in the Inventory List was damaged, and which was lost.

234. The Panel recommends no compensation for this loss element.

(b) Loss on project sites

235. China Harbour states that it was working on a number of project sites in Kuwait. It asserts that it lost construction machinery on the site of

the "4 seaside villas project" in Fahall, Kuwait; and construction machinery and medical appliances on the campsite of the Kuwait University and the Kuwaiti Royal Palace projects.

236. The Panel finds that China Harbour has not provided sufficient evidence to substantiate its claim for loss of property on the project sites. It has only provided copies of the three sub-contract agreements for the projects on which it was working. These contracts merely describe the obligation of China Harbour to provide labour and management personnel and in two of the contracts, also hand tools, in respect of the relevant project.

237. China Harbour has provided no evidence of ownership of the construction machinery or medical appliances, or that the property was on the project sites at the time of the invasion. There is no evidence that the property was destroyed.

238. The Panel recommends no compensation for this loss element.

(c) Loss of own vehicles

239. China Harbour asserts that "after the said invasion and occupation, all of the automobiles of our company were robbed and damaged by the Iraq soldiers".

240. The Panel finds that China Harbour has not provided sufficient evidence to substantiate its claim for the loss of eight vehicles. In respect of five of the eight vehicles claimed, China Harbour provided the registration certificates issued in the name of an individual owner, and a declaration by the relevant individual that China Harbour has "the full right on the ... vehicle". China Harbour asserts that the files of the remaining three vehicles were lost during the invasion. China Harbour has provided no evidence of the value of the vehicles or of the loss of any of the vehicles.

241. The Panel recommends no compensation for this loss element.

(d) Loss of borrowed vehicles

242. China Harbour asserts that in evacuating its employees from Kuwait, it had to borrow 19 vehicles from the contractors with which it was working. It borrowed 10 from United Gulf Construction Corporation ("UGCC"), five from Consolidated Contractors International Company, and four from Hamla Corporation. It asserts that it had to abandon the vehicles on the way from Kuwait to Jordan.

243. China Harbour asserts that it paid an amount of KWD57,500 to UGCC to cover the loss of 10 of the vehicles. In respect of the remaining nine

vehicles, China Harbour indicates that it will pay for these losses only when compensation from the Commission is received.

244. The Panel finds that China Harbour has provided no evidence to substantiate its claim in respect of the five vehicles borrowed from Consolidated Contractors International Company and the four vehicles borrowed from Hamla Corporation. The Panel recommends no compensation in respect of these nine vehicles.

245. The Panel finds that China Harbour has provided sufficient evidence to substantiate its claim in respect of the 10 vehicles borrowed from UGCC. It has provided correspondence between itself and UGCC arranging the loan of the vehicles. The abandonment of the vehicles is evidenced by a letter from China Harbour to UGCC stating that the vehicles were abandoned on the way from Kuwait to Jordan and offering a certain amount in settlement; and by the affidavits of five of its employees describing their evacuation, all of which refer to the abandonment of various vehicles. The final settlement amount of KWD57,500 is detailed in two letters from China Harbour to UGCC, and there is a translation of a receipt for this amount from UGCC.

246. The Panel recommends compensation in the amount of KWD57,500 (US$198,962) for the loss incurred in respect of the 10 vehicles borrowed from UGCC.

3. Recommendation for loss of tangible property

247. The Panel recommends compensation in the amount of KWD57,500 (US$198,962) for loss of tangible property.

B. Payment or relief to others

1. Facts and contentions

248. China Harbour seeks compensation in the amount of US$1,779,224 for payment or relief to others. It asserts that it evacuated its 663 employees from Kuwait to China via Amman, Jordan and incurred all expenses. It seeks compensation in respect of: (a) expenditure on the road from Kuwait to Amman, including food, hotels and "out-of-pocket" expenses, for 663 employees (KWD33,150); (b) one month's wages for 663 employees (US$168,960); (c) airfares from Amman to China for 663 employees (US$811,512); (d) the cost of transport within China to repatriate 648 of the employees (CNY102,450); and (e) repatriation allowances for 663 employees (CNY3,135,600).

2. Analysis and valuation

(a) Expenditure from Kuwait to Amman

249. The Panel finds that China Harbour has provided sufficient evidence to substantiate the claim for expenditure from Kuwait to Amman, including a list of the names and passport numbers of the 663 employees, copies of its sub-contracts showing a requirement for a labour force of the stated size, and affidavits of five of its employees describing the evacuation from Kuwait to China.

250. The Panel recommends compensation in the amount of KWD33,150 (US$114,706) for this loss element.

(b) Wages

251. The Panel finds that China Harbour has submitted sufficient evidence in support of this claim. It has provided a translation of its Payroll for Wage of August 1990, listing the 663 employees by name, passport number, nationality and the amount of their wage.

252. The Panel recommends compensation in the amount of US$168,960 for this loss element.

(c) Airfares

253. The Panel finds that China Harbour has submitted sufficient evidence that it incurred the cost of airfares for 663 evacuees. It has provided copies of two receipts issued by Air China in respect of 663 passengers in two flights from Amman to Beijing for a total cost of US$811,512. Affidavits of five of China Harbour's employees all refer to travelling from Amman to Beijing by plane.

254. However, China Harbour was requested in an Article 34 notification to explain how the costs claimed would have exceeded the costs which would have been incurred in any event in repatriating its employees on natural completion of its contracts in Kuwait. China Harbour responded that the payment "was directly related to the unlawful invasion due to their unexpected short term service". The Panel finds that there is no evidence that the cost of the 663 airfares exceeded the cost which China Harbour would have incurred in repatriating its employees after natural completion of its contracts in Kuwait.

255. The Panel recommends no compensation for this loss element.

(d) Transport within China

256. China Harbour has provided no evidence in support of this claim. The Panel recommends no compensation for this loss element.

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(e) Repatriation allowances

257. The Panel finds that China Harbour has provided sufficient evidence to substantiate this claim. It has provided translated "financial sheets" showing the names, amounts paid for repatriation allowance, and recipient signatures of its 663 employees.

258. The Panel recommends compensation in the amount of CNY3,135,600 (US$664,041) for this loss element.

3. Recommendation for payment or relief to others

259. The Panel recommends compensation in the amount of US$947,707 for payment or relief to others.

C. Financial losses

260. China Harbour characterised this loss element as a claim for payment or relief to others, but the Panel finds that it is more accurately described as a financial loss.

261. China Harbour seeks compensation in the amount of KWD2,400 for pre-paid rent. It asserts that it made a payment in the amount of KWD3,600 for the period 15 July to 15 October 1990 in respect of the rental of a house in Kuwait. Because it had to cease its operations right after the invasion, China Harbour asserts that it lost the value of two-thirds of the rental.

262. The Panel finds that the prepaid rent is part of the overheads of China Harbour. Applying the approach taken with respect to head office and branch office expenses set out in paragraphs 82 to 86, the Panel recommends no compensation for prepaid rent.

D. Summary of recommended compensation for China Harbour

263. Based on its findings regarding China Harbour's claim, the Panel recommends compensation in the amount of US$1,146,669. The Panel finds the date of loss to be 2 August 1990.

IX. THE CLAIM OF THE GENERAL COMPANY FOR LAND RECLAMATION

264. The General Company for Land Reclamation ("General Company") is an Egyptian registered company. It had a contract with the State Organisation of Soil and Land Reclamation ("SOSLR") for the reclamation of saline land situated in El Roz El Shamaly, Diala Province, Iraq, for which a Final Certificate of Completion had been issued on 14 February 1990. It was in the process of completing the administrative requirements necessary to wind down its Iraqi branch and to export its property from Iraq to Egypt at the time of Iraq's invasion and occupation of Kuwait on 2 August 1990.

265. In its claim dated 30 September 1993, General Company sought compensation in the amount of US$4,929,899 for contract losses, loss of tangible property, and loss of funds in an Iraqi bank account.

266. In a submission to the Commission on 8 January 1999, after General Company had managed to export or sell some of its property, and deposited the proceeds of the sales in its Iraqi bank account, General Company reduced the loss element relating to tangible property from US$3,076,531 to US$958,549, and increased the loss element relating to funds in an Iraqi bank account from ID106,198 to ID2,556,594. It also submitted two new loss elements. This brought the total amount of its claim to US$14,778,645.

267. Applying the approach taken with respect to amending claims after filing set out in paragraphs 54 to 56, the Panel does not take into account the two new loss elements submitted on 8 January 1999.

A. Contract losses

268. General Company seeks compensation in the amount of ID40,346 for retention monies which it asserts were due to it as a result of the land reclamation contract with SOSLR.

269. The land reclamation contract began in 1978 with a contract period of 1000 days, followed by a number of contract extensions, and General Company asserts that its work was "fully executed" by 14 February 1990. The amount of retention monies held at this time was ID276,325. It appears there was then some negotiation about the amount outstanding because General Company agrees that it is owed a reduced amount of ID40,346.

270. The Panel finds that the employer in this case, the SOSLR, is an agency of the State of Iraq.

271. General Company has submitted parts of the contract documentation and copies of correspondence with SOSLR. From the documentation submitted, the Panel is unable to conclude when the retention monies were due to be released. General Company has stated that a Final Certificate of Completion was issued by the Iraqi authorities on 14 February 1990. The Panel finds that since the relevant work was completed prior to 2 May 1990,

and in so far as the Panel can determine, the retention monies should have been released prior to that date, the Panel does not have jurisdiction to consider the claim for the retention monies.

272. The Panel recommends no compensation for retention monies arising out of the contract with SOSLR.

B. Loss of tangible property

273. General Company seeks compensation in the amount of US$958,549 for loss of property comprising plant, vehicles and caravans, which it asserts was confiscated by the Iraqi authorities. It also seeks compensation in the amount of US$1,384,440 for loss of the use of this property.

274. General Company asserts that it had completed the land reclamation contract with SOSLR by 1990 and was seeking to obtain the approvals necessary to re-export its property out of Iraq. On 17 April 1992, the Iraqi Government allegedly issued a decree confiscating the property of non-Iraqi companies. General Company has managed to export or sell locally some of its property, but it seeks compensation in the amount of US$958,549 for the property which remains confiscated.

275. General Company calculated its claim of US$1,384,440 for the loss of the use of the property at a rate of return ranging from 15 percent to 20 percent of the value of the various items of property, for the period August 1990 to August 1993.

276. The Panel finds that the confiscation of property by an agency of the Government of Iraq in 1992 was not directly caused by Iraq's invasion and occupation of Kuwait in August 1990.

277. The Panel recommends no compensation for the loss of tangible property or for the loss of the use of the tangible property.

C. Financial losses

278. General Company seeks compensation in the total amount of ID2,556,594 for funds held in an Iraqi bank account which it claims it could not access after Iraq's invasion and occupation of Kuwait.

279. Applying the approach taken with respect to loss of funds in a bank account in Iraq set out in paragraphs 96 to 101, the Panel recommends no compensation for loss of the funds.

D. Summary of recommended compensation for General Company

280. Based on its findings regarding General Company's claim, the Panel recommends no compensation.

X. THE CLAIM OF CIPEC

281. CIPEC ("CIPEC"), a French company, submitted only the category "E" claim form, and other untranslated documents in support of its stated losses. CIPEC seeks compensation in the amount of US$79,359.

282. On 23 June 1998, CIPEC was sent a notification under article 15 of the Rules requesting it to comply with the formal requirements for filing a claim. CIPEC was requested to reply on or before 25 September 1998. CIPEC did not submit a reply. On 14 January 1999, CIPEC was sent a formal notification of the deficiencies of its claim as filed. The deadline for CIPEC to reply was 15 March 1999. CIPEC did not submit the documentation requested.

283. On 8 September 1998, CIPEC was sent a notification under article 34 of the Rules requesting it to furnish further evidence to develop its claim. CIPEC was requested to reply on or before 8 January 1999. CIPEC did not submit a reply. On 12 January 1999, CIPEC was sent a second notification under article 34 of the Rules. The deadline for CIPEC to reply was 26 January 1999. CIPEC did not submit the documentation requested.

284. The Panel finds that CIPEC did not submit sufficient information or documentation to support its asserted losses.

285. The Panel recommends no compensation.

XI. THE CLAIM OF FREYSSINET INTERNATIONAL ET COMPAGNIE

286. Freyssinet International et Compagnie ("Freyssinet") is a French registered limited liability company involved in concrete prestressing and post-tensioning, technical assistance on civil works and all activities relating to construction processes and systems both for erection of structures, and repairs. Freyssinet seeks compensation in the total amount of US$3,334,131 for contract losses in respect of seven contracts, loss of profits, loss of tangible property, payment or relief to others, financial losses, and property losses of three of its employees.

A. Contract losses

287. Freyssinet seeks compensation in the total amount of KWD52,308 for contract losses on seven contracts.

288. The Panel notes that Freyssinet has provided little explanation of its claim. Nevertheless, the Panel has determined that in respect of the seven contracts, Freyssinet seeks compensation for: (i) interest at the rate of 10 percent per annum on late payments made under the relevant contract, calculated from August 1990 to the date the payment was made, which Freyssinet calls "loss on recovery" or "interests"; and in one case (ii) an amount owing on the contract which has never been paid, which Freyssinet calls "loss for non recovery" or "loss on principal". The total amount claimed in respect of the seven contracts is KWD52,308.

289. The only evidence submitted by Freyssinet is part of the relevant sub-contract agreement in relation to six of the seven contracts. The Panel finds that Freyssinet has failed to demonstrate that its contract losses were directly caused by Iraq's invasion and occupation of Kuwait.

290. The Panel recommends no compensation for contract losses.

B. Loss of profits

291. Freyssinet seeks compensation for loss of profits in the amount of KWD38,500. Its only explanation of its claim is as follows:

> "The previsionnal [sic] margin of the Kuwait branch for the year 1990 was KD64,500. Due to the conflict it was only KD17,882. The loss is so KD46,618 which gives FRF1,305,304. The previsionnal [sic] margins for the Kuwait branch for the year 1991 was KD72,000 and KD38,500 for the period coming from january to end of May 1991. The loss is consequently KD38,500 which gives FRF1,078,000 including interest. The global loss of profits is consequently FRF2,383,304."

292. Applying the approach taken with respect to loss of profits for future projects set out in paragraphs 93 to 95, the Panel recommends no compensation.

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C. Overheads under recovered

293. Freyssinet seeks compensation in the amount of KWD326,592 for overheads under recovered.

294. The claim is not clearly explained. It appears that Freyssinet expected that its turnover for the Kuwaiti branch for 1990 would be KWD587,950. Freyssinet asserts that due to the conflict, it was actually KWD183,852. It assesses its head office overheads on the basis of 12 percent of the branch office turnover. It calculates under-recovered overheads for the year 1990 as KWD151,536.

295. Freyssinet makes a similar calculation for 1991, asserting that its under-recovered overheads for that year are KWD175,056.

296. In support of its claim, Freyssinet has submitted a summarised list of contract values and turnovers for the year 1990, a statement of income for the year ending 31 December 1991, a profit realisation schedule as at June 1990, and its annual report for 1989. Applying the approach taken with respect to head office and branch office expenses set out in paragraphs 82 to 86, the Panel recommends no compensation.

D. Loss of tangible property

297. Freyssinet seeks compensation in the amount of KWD16,195 for loss of tangible property located in its Kuwaiti branch office, and compensation in the amount of FRF7,408,111 for loss of its "income producing property".

298. The Panel finds that Freyssinet has not provided sufficient evidence to substantiate its claim for branch office property. It provided a list of furniture and office equipment, but it has not explained how this list correlates to its claim of KWD16,195. The only other evidence it has provided is a collection of 20 invoices, some of which have not been translated, some of which are illegible and some of which are made out to individuals whose relationship with Freyssinet has not been explained.

299. The Panel finds that Freyssinet has not produced sufficient evidence to substantiate its claim for income-producing property. The only evidence provided is a list, produced by itself, of 30 items of "lost income-producing property"; a collection of debit notes for the export into Kuwait of various items of property between 1984 and 1989, a number of which are not translated or not cross-referenced to the list of 30 items; and a price list of a supplier of some of its equipment.

300. Freyssinet has provided no evidence that it still owned any of the above property at the time of the invasion or that the property was in Kuwait at the time of the invasion. It has provided no evidence of the loss of any of the property.

301. The Panel recommends no compensation for loss of tangible property.

E. Payment or relief to others

302. Freyssinet seeks compensation for: (a) repatriation expenses paid to five of its employees for repatriation to their home countries after the invasion (FRF241,996); and (b) salaries and other amounts paid to three of its employees (two of whom were allegedly held hostage) for certain periods after the invasion (FF1,262,683).

303. The Panel finds that Freyssinet has not provided sufficient evidence in relation to the "repatriation expenses" to enable the Panel to determine whether they were losses directly caused by Iraq's invasion and occupation of Kuwait. The Panel recommends no compensation for this loss element.

304. The Panel finds that Freyssinet has not provided sufficient evidence that it incurred losses in respect of salaries paid to three of its employees. It has provided no evidence that the two employees were in fact taken hostage or detained. It has submitted copies of two wage certificates, but the claimed amount is not readily apparent from the documents submitted. The Panel recommends no compensation for salaries.

305. The Panel recommends no compensation for payment or relief to others.

F. Personal effects of three employees

306. Freyssinet seeks compensation in the amount of FRF700,000 for the loss of the personal effects of three of its employees. The Panel recommends no compensation for this loss element on the basis that the loss was not incurred by Freyssinet.

G. Summary of recommended compensation for Freyssinet

307. Based on its findings regarding Freyssinet's claim, the Panel recommends no compensation.

XII. THE CLAIM OF CHEMITHERM PLANTS AND SYSTEMS PVT LTD

308. Chemitherm Plants and Systems Pvt Ltd ("Chemitherm") is an Indian registered company. It seeks compensation in the total amount of US$250,502 for contract losses and related financial losses.

A. Contract losses

309. Chemitherm seeks compensation in the amount of US$152,217 for contract losses. Chemitherm entered into an agreement dated 17 February 1990 with a Kuwaiti based company, Alinjaz Contracting Company S.A.K. ("Alinjaz") for the supply of eight stainless steel storage tanks, four pressure vessels and two instrument columns for a telecommunications project in Kuwait. It asserts that it had completed the manufacture of the equipment and was ready to load the shipment by 8 August 1990. Chemitherm states that it was prevented from shipping the equipment because Iraq's invasion of Kuwait on 2 August 1990 disrupted "shipping facilities to Kuwait" and also caused "total disruption of documents negotiation and other commercial transaction".

310. The Panel is satisfied that Chemitherm has provided sufficient evidence to prove that it entered the contract with Alinjaz, that the equipment was ready for shipment to Kuwait in August 1990, and that it was prevented from shipping the equipment to Kuwait due to Iraq's invasion and occupation of Kuwait.

311. However, Chemitherm has provided no evidence explaining why the equipment could not be shipped to Kuwait after the cessation of hostilities in Kuwait, or why it remained unpaid after this date. It has provided no evidence of any attempt to mitigate its loss, for example, by selling the equipment elsewhere. Accordingly, the Panel determines that Chemitherm's contract losses were not directly caused by Iraq's invasion and occupation of Kuwait.

312. The Panel recommends no compensation for contract losses.

B. Financial losses

313. Chemitherm makes two separate claims in respect of financial losses. Firstly, it seeks compensation in the amount of US$30,730 for interest on a 180 day letter of credit which it obtained in order to manufacture the equipment, and which it asserts it could not repay because of the inability to deliver the equipment. Secondly, it seeks compensation in the amount of US$67,555 for customs duty assessed on the equipment, which only became payable because the equipment could not be exported from India.

314. The Panel finds that Chemitherm has not provided sufficient evidence to substantiate its claim for financial losses. The only evidence provided in relation to the claim for interest is a letter from the State Bank of

India dated 15 February 1993 requesting that Chemitherm's account be "regularised". It has provided no evidence of how the interest claimed was calculated, or that it paid the interest.

315. *In relation to the claim for customs duty,* Chemitherm has provided a letter from customs dated 6 March 1993 advising that Chemitherm had not fulfilled its export obligations in respect of materials allowed duty free clearance, and was therefore liable to pay customs duty of 24 percent on the goods. It has also provided what appears to be the original customs form, stating the amount of "duty leviable but for exemption". However, Chemitherm has provided no evidence that it paid the duty.

316. *The Panel recommends no compensation for financial losses.*

C. Summary of recommended compensation for Chemitherm

317. Based on its findings regarding Chemitherm's claim, the Panel recommends no compensation.

XIII. THE CLAIM OF MURAZUMI CONSTRUCTION CO. LTD

318. Murazumi Construction Co. Ltd ("Murazumi") is a Japanese civil construction company which was operating in Kuwait at the time of Iraq's invasion and occupation of Kuwait. It specialised in "field marine construction works" and had office, store, berthing and service facilities in Kuwait, as well as considerable equipment and vessels. Murazumi asserts that its vessels, equipment and materials were destroyed in Iraq's invasion and occupation of Kuwait and it was thereby forced to withdraw from Kuwait. It seeks compensation in the total amount of US$1,599,843 for loss of tangible property and payment or relief to others.

319. In a submission to the Commission on 23 December 1998, Murazumi submitted a new loss element of JPY20,674,240 for "Sub-contractor Compensation". Applying the approach taken with respect to amending claims after filing set out in paragraphs 54 to 56, the Panel does not take into account this new loss element.

A. Loss of tangible property

1. Facts and contentions

320. Murazumi seeks compensation in the total amount of JPY203,738,000 for the loss of (a) 11 vessels (JPY195,240,000); (b) 24 items of equipment such as crawler cranes, shovels, generators and other heavy equipment machines (JPY20,049,000); (c) three temporary houses, materials such as sheet-piles and H-beams, and construction equipment such as hydraulic jacks and loading meters (JPY9,813,000); and (d) 16 items of office equipment, such as typewriters, desks, and lockers (JPY1,186,000).

321. Murazumi asserts that its 11 vessels were either sunk or damaged by Iraqi troops in the invasion of Kuwait on 2 August 1990. A survey report by Kuwait Maritime & Mercantile Company KSC ("KMM"), Lloyd's agents in Kuwait, describes the circumstances leading to the loss of three of the ships, and Murazumi asserts that the other eight ships were lost in similar circumstances. The survey report states that two vessels were moored at the Naval base at Ras Al Jalayah, and one vessel was moored at Shaiba Port, that the Iraqi occupying forces took control of both of these locations and that the crews were forced to abandon the vessels. The alleged fate of each of the 11 vessels is described in the table below:

Table 3: Fate of vessels

Vessel	Fate
Tug boat "Sultan 3"	"found floated"; tug control and navigation equipment missing
Tug boat "Sultan 5"	"found floated"
Deck barge "Sultan 6"	partly sunk, bomb damage
Crane barge "Sultan 7"	sunk "by leakage of water from stern tube over long period of time"
Anchor boat "Sultan 8"	"found floated", gunshot damage
Crane barge "Sultan 9"	"found floated"; barge equipment destroyed
Crane barge "Sultan 10"	sunk
Deck barge "Sultan 11"	"found floated", gunshot damage
Diver boat "Sultan 14"	"found floated"; fitted diving equipment missing
Diver boat "Sultan 15"	found stored at Murazumi's store; boat propeller, diving equipment missing
Diver boat "Sultan 16"	missing, "presumably stolen"

322. Murazumi asserts that the other property was lost or damaged as a result of the Iraqi troops' invasion and occupation of Kuwait.

323. In November 1991 Murazumi sold all of its vessels (including the missing vessel), and most of its other equipment for scrap. It paid an agent a 12 per cent commission fee to effect the sale. Murazumi therefore calculates its total claim for loss of tangible property as follows:

Total loss of tangible assets	JPY 226,288,000
Less salvage recovered	(JPY 25,625,000)
Add commission cost	JPY 3,075,000
Net loss of tangible assets	JPY 203,738,000

2. Analysis and valuation

(a) Vessels

324. The Panel finds that Murazumi has provided sufficient evidence to prove that it owned the 11 vessels, and that they were in Kuwait at the time of the invasion of Kuwait. It provided its "KT Index", which identifies the 11 vessels as "working at Kuwait Territory"; a copy of an

agreement dated 7 March 1990 for the lease by Murazumi of four berths at the Khiran Resort communication dock (Kuwait) for four of the 11 vessels, and a receipt for the rent; and hull insurance policies for the 11 vessels valid for waters in or near Kuwait.

325. The Panel finds that Murazumi has provided sufficient evidence that at least eight of the 11 vessels were lost, damaged, or put "out of use" due to Iraq's invasion and occupation of Kuwait. It has provided photographs of eight of the damaged vessels, and the survey report by KMM in respect of three of the vessels (which includes underwater video evidence of the two sunken vessels). The only vessels in respect of which there is no photographic or other evidence of loss or damage are two of the diver boats, namely, Sultan 14 and Sultan 15.

326. The Panel finds that Murazumi has not provided sufficient evidence of the value of its loss. The Panel finds that neither the insurance policies, nor the amount obtained on the scrap agreement, evidence the value of the vessels post-invasion. Given the likelihood that there would have been a demand for such vessels, even in a damaged state, subsequent to the liberation of Kuwait, the Panel finds that the actual value of the vessels at the time of the sale for scrap was substantially higher than the amount obtained. Equally, however, the Panel finds that Murazumi suffered a real loss as a result of Iraq's invasion and occupation of Kuwait, and the Panel assesses that real loss at JPY40,000,000.

327. The Panel recommends compensation in the amount of JPY40,000,000 (US$277,296) for loss of the vessels.

(b) Machines

328. The Panel finds that Murazumi has not provided sufficient evidence to substantiate its claim for the 24 items of machinery. The only evidence of ownership is "Attestations of Tests" on five crawler cranes by a Kuwaiti Surveyor. The Attestations do not describe Murazumi as the owner of the machines; they merely state that Murazumi requested the tests.

329. The Panel recommends no compensation for loss of the machines.

(c) Houses, materials and construction equipment

330. The Panel finds that Murazumi has not provided sufficient evidence to substantiate its claim for the houses, materials or construction equipment. It has provided no evidence of ownership.

331. The Panel recommends no compensation for this loss element.

(d) Office equipment

332. The Panel finds that Murazumi has not provided sufficient evidence to substantiate its claim for office equipment. It has provided no evidence of ownership.

333. The Panel recommends no compensation for loss of office equipment.

3. Recommendation for loss of tangible property

334. The Panel recommends compensation in the amount of JPY40,000,000 (US$277,296) for loss of tangible property.

B. Payment or relief to others

1. Facts and contentions

335. Murazumi seeks compensation in the total amount of JPY27,039,342 for: (a) insurance costs and relief expenses (JPY6,479,127); (b) hostage staff salary payments (JPY16,960,215); and (c) wreck clearance costs (JPY3,600,000).

2. Analysis and valuation

(a) Insurance costs and relief expenses

336. Murazumi seeks compensation for expenses incurred in respect of four of Murazumi's staff who were allegedly held hostage by Iraq for a period of four months, namely: (i) overseas travel accident insurance for the four staff; (ii) "workman compensation" insurance for the four staff; (iii) clothes expense for clothes sent to the four staff; (iv) medical expense for medicine sent to the four staff during the four months, and for a medical check after release; and (v) relief allowance which was paid to three of the four staff after their release.

337. The Panel finds that Murazumi has provided sufficient evidence that the four staff were held hostage in Kuwait.

338. The Panel finds that Murazumi has provided sufficient evidence to prove that it incurred the five expenses constituting the claim. It has provided translated payment vouchers in respect of the expenses, and receipts.

339. The Panel recommends compensation in the amount of JPY6,479,127 (US$44,916) for insurance costs and relief expenses.

(b) Hostage staff salary payment

340. Murazumi seeks compensation for salary which it continued to pay to "three direct employees and one supplied diver" while they were held hostage in Iraq for four months. The "supplied diver" was paid by his own employer, but Murazumi asserts that it reimbursed the employer.

341. The Panel finds that Murazumi has provided sufficient evidence to prove that it made salary payments to the four hostages. In respect of the three hostages employed by Murazumi, it provided translated payment vouchers. In respect of the diver whose employer it reimbursed, it provided a letter from the employer enclosing the payment certificates issued to the diver, and acknowledging that it had been reimbursed by Murazumi for the amount of the payment certificates.

342. The Panel recommends compensation in the amount of JPY16,960,215 (US$117,575) for hostage staff salary payments.

(c) Wreck clearance costs

343. Murazumi seeks compensation for the cost of clearing the wrecks of Sultan 7 and Sultan 10 from the entrance to the Kuwait Naval Base. Murazumi was the sub-contractor for marine works at Al-Julayia Port and had mobilised Sultan 7 and Sultan 10 to perform the works. When the vessels were sunk they became a navigation hazard and the Main Contractor ("TOA Corporation") was ordered by the Kuwaiti Ministry of Defence to clear the wreck. TOA Corporation entered a contract with M/S Integral Services Co to salvage and clear the wrecks for KWD37,000. TOA Corporation and Murazumi agreed that Murazumi should bear JPY3,600,000 of this cost.

344. The Panel finds that Murazumi has provided sufficient evidence to substantiate its claim for wreck clearance costs.

345. The Panel recommends compensation in the amount of JPY3,600,000 (US$24,957) for wreck clearance costs.

3. Recommendation for payment or relief to others

346. The Panel recommends compensation in the amount of JPY27,039,342 (US$187,448) for payment or relief to others.

C. Summary of recommended compensation for Murazumi

347. Based on its findings regarding Murazumi's claim, the Panel recommends compensation in the amount of US$464,744. The Panel finds the date of loss to be 2 August 1990.

XIV. THE CLAIM OF CORDEROY INTERNATIONAL LIMITED

348. Corderoy International Limited ("Corderoy") is a limited liability company registered in the United Kingdom, which provided chartered quantity surveyors, construction cost consultants and project managers for projects in Kuwait. Corderoy seeks compensation in the amount of US$95,852 for loss of profits, loss of tangible property, payment of salary to one of its employees, financial losses and claim preparation costs.

A. Loss of profits

349. Corderoy seeks compensation in the amount of £9,021 for loss of profits.

350. Between 1981 and 2 August 1990 Corderoy asserts that it had an agreement with consultant engineers, Brian Colquhoun and Partners ("BCP"), to provide quantity surveyors on secondment for the Kuwait Waterfront Project being undertaken by the Municipality of Kuwait. At the time of the invasion and occupation of Kuwait, Corderoy had provided one quantity surveyor for the project, a Mr Derek E. Pankhurst ("Mr Pankhurst").

351. Applying the approach taken with respect to loss of profits on a particular project set out in paragraphs 87 to 92, the Panel recommends no compensation.

B. Loss of tangible property

352. Corderoy seeks compensation in the amount of £8,063 for loss of tangible property.

353. Corderoy asserts that at the time of Iraq's invasion of Kuwait it had house/office furniture in storage in Kuwait at the premises of Messrs Al Ghanim Freight Air in the Industrial Area, and the furniture has not been recovered. It had put the office and domestic furniture into storage because its staff in Kuwait had been reduced to one, namely Mr Pankhurst, and the furniture was no longer required. When Corderoy returned to Kuwait after the cessation of hostilities it went to the premises of Al Ghanim Freight Air and discovered that its furniture and equipment was not there. It asserts that it was stolen or destroyed during Iraq's invasion and occupation of Kuwait.

354. The Panel finds that Corderoy has not provided sufficient evidence that it owned the property, that it was in Kuwait at the time of the invasion, or that its loss was caused by Iraq's invasion and occupation of Kuwait. The only evidence provided by Corderoy in support of the claim is an undated packing list.

355. The Panel recommends no compensation for loss of tangible property.

/...

C. Payment or relief to others

356. Corderoy seeks compensation in the amount of £14,079 in respect of payment or relief to others.

357. Mr Pankhurst was Corderoy's only employee in Kuwait at the time of the unlawful invasion and occupation by Iraq. Corderoy asserts that Mr Pankhurst went into hiding at the time of the invasion, and was flown back to the United Kingdom from Baghdad on 11 December 1990. On 20 February 1991, after a period of re-settlement, Mr Pankhurst commenced work with the parent company of Corderoy in the United Kingdom.

358. Corderoy asserts that it continued to pay Mr Pankhurst his full salary up to December 1990 and a reduced salary thereafter until the time he recommenced work, thereby suffering a loss of £14,079.

359. In support of its claim for Mr Pankhurst's salary, Corderoy submitted a payroll record for April 1990 to March 1991 in respect of Mr Pankhurst; an overtime return in respect of Mr Pankhurst for the month of February 1991; and income tax returns for Mr Pankhurst for 1990, 1991 and 1992.

360. The salary allegedly paid by Corderoy to Mr Pankhurst is prima facie compensable as salary paid for unproductive labour. However, Corderoy has submitted no evidence that Mr Pankhurst was actually in Kuwait at the time alleged. It has not provided, for example, an affidavit of Mr Pankhurst describing the circumstances of his hiding and evacuation; a copy of his airline ticket from Baghdad to the UK; or a copy of his passport showing departure and arrival dates. Accordingly, Corderoy has not proved that its asserted loss is the direct result of Iraq's invasion and occupation of Kuwait.

361. The Panel recommends no compensation for payment or relief to others.

D. Financial Losses

362. Corderoy seeks compensation in the amount of £17,226 for expenses incurred on three visits made to Kuwait between June 1991 and October 1991 by one of its directors, a Mr R Ian Mackay.

363. Corderoy asserts that the visits were made in order to "re-establish lines of communication with our client, locate missing files, equipment and personal effects and to safeguard the company's future in Kuwait". The claim is made up of airfares, expenses and a time charge for Mr Mackay of £540 per day.

364. The Panel finds that Corderoy has not provided sufficient evidence to prove that the losses incurred in respect of the three visits to Kuwait

between June 1991 and October 1991 were a direct result of Iraq's invasion and occupation of Kuwait. The evidence suggest that the trips were undertaken to investigate business opportunities in Kuwait subsequent to the invasion.

365. The Panel recommends no compensation for financial losses.

E. Claim preparation costs

366. Corderoy seeks compensation in the amount of £2,030 for claim preparation costs. Applying the approach taken with respect to claim preparation costs set out in paragraph 40, the Panel makes no recommendation for claim preparation costs.

F. Summary of recommended compensation for Corderoy

367. Based on its findings regarding Corderoy's claim, the Panel recommends no compensation.

XV. THE CLAIM OF COSTAIN INTERNATIONAL LIMITED

368. Costain International Limited ("Costain") is a limited liability company registered in the United Kingdom. It had a contract in Kuwait with the Kuwait Real Estate Company ("KRE") to carry out site investigation works for the "Feasibility Study of Waterside Residential and Leisure Developments at Shuwaikh Site, Pearls of Kuwait Project" ("the Pearls of Kuwait contract"). Costain asserts that the entire contract amount had been paid in full by 2 January 1992. It seeks compensation in the amount of US$422,786 for loss of profits and loss of tangible property.

A. Loss of profits

369. Costain seeks compensation in the amount of £160,100 for loss of profits.

370. Costain asserts that the loss of its tangible assets (see heading B below), meant that it also lost the income it would have made from using these tangible assets. It claims lost profits for the period 2 August 1990, the date the assets were lost, to 31 July 1992, the date "at which it was established that the assets were not likely to be recovered and replacement items were procured".

371. Costain bases its calculation of lost profit on the turnover of its operating company, Foundation Engineering Limited ("FEL"), which performed the Pearls of Kuwait contract. It makes a "reasoned assessment" that 1/6 of Costain's plant and equipment holding was lost, so therefore 1/6th of the reduction in FEL's turnover for the period 2 August 1990 to July 1992 was caused by loss of the assets. It asserts that its profit amounts to 30 per cent on turnover (including approx. 19 per cent office overheads) and therefore loss of profits for 2 August 1990 to July 1992 amounts to £160,100.

372. The only evidence provided by Costain is in respect of the business operations of FEL in 1988-1990. Applying the approach taken with respect to loss of profits for future projects set out in paragraphs 93 to 95, the Panel recommends no compensation.

B. Loss of tangible property

1. Facts and contentions

373. Costain seeks compensation in the amount of £62,286 for loss of tangible property.

374. Costain asserts that on 2 August 1990 the assets used on the Pearls of Kuwait contract were in two 20 ft. containers standing in Shuwaikh Port awaiting shipment from Kuwait to Dubai. It has not been able to locate the containers or the items in them since this date and assumes that they were

appropriated by Iraqi forces and taken to Iraq. Costain asserts that there were 104 items in the two containers, including a hovercraft, drills, wrenches, and sockets. It seeks compensation for these assets in the amount of £47,582.

375. Costain also seeks compensation in the amount of £4,758 for the cost of shipping and insurance for the replacement equipment purchased after July 1992; and compensation in the amount of £9,945, being 19 per cent of the total claim for lost assets, for "head office overheads on tangible property".

2. Analysis and valuation

(a) Pearls of Kuwait assets

376. The Panel finds that Costain has provided sufficient evidence to substantiate its claim for loss of the Pearls of Kuwait assets. It has provided purchase invoices in respect of the property claimed, and evidence that the property was transported to Kuwait in about March 1990 for the Pearls of Kuwait contract. In relation to loss of the property, it has correspondence which shows that it was attempting to ship the goods from Kuwait to Dubai during the period of May to July 1990. It also has financial records dated 7 January 1991 entitled "Dubai listing of assets as at 31/12/90", which appear not to include the assets which it was attempting to ship from Kuwait.

377. The Panel finds that the value of Costain's loss is £14,224. The Panel recommends compensation in the amount of £14,224 (US$27,042).

(b) Shipping and insurance costs for replacement equipment

378. Costain has submitted no evidence in support of this loss element. The Panel recommends no compensation for shipping and insurance costs for replacement equipment.

(c) Head office overheads on tangible property

379. The only evidence provided by Costain in relation to this loss element is a letter from Costain's accountants stating that overheads for the year ended 31 December 1990 amounted to 19.58 per cent of turnover. Applying the approach taken with respect to head office and branch office expenses set out in paragraphs 82 to 86, the Panel recommends no compensation.

3. Recommendation for loss of tangible property

380. The Panel recommends compensation in the amount of £14,224 (US$27,042) for loss of tangible property.

C. Summary of recommended compensation for Costain

381. Based on its findings regarding Costain's claim, the Panel recommends compensation in the amount of US$27,042. The Panel finds the date of loss to be 2 August 1990.

XVI. THE CLAIM OF EWBANK PREECE LIMITED

382. Ewbank Preece Limited ("Ewbank") is a limited liability company registered in the United Kingdom. It is the main operating company of the Ewbank Preece Consulting Group which provides services worldwide in the field of consulting engineering. It entered into a contract with Gulf Cables and Electrical Industries Company ("Gulf Cable") on 13 September 1988 to act as consultant during the establishment of a new telecommunications cable factory in Kuwait.

383. At the time of Iraq's invasion and occupation of Kuwait on 2 August 1990, Ewbank asserts that it had not been paid for work in progress amounting to £64,280. It seeks compensation in the amount of US$122,205 for contract losses.

A. Contract losses

1. Facts and contentions

384. The total value of the contract between Ewbank and Gulf Cable for the provision of consulting services for the new telecommunications cable factory was £200,000, to be paid in seven lump sum instalments, upon completion of various stages of the contract.

385. As at 3 July 1990, Gulf Cable had paid Ewbank three of the instalments, totalling £80,000. Ewbank asserts that in August 1990 "the project was halted due to the Gulf incident". At this time it asserts that it had completed work on the contract for which it had not been paid to the value of £64,280. The work performed was in respect of "instalment e" and "instalment f" under the terms of the contract, ie:

> "e. Payment of 25 per cent of total lump sum value of contract on completion of installation of all machines.
>
> f. Payment of 20 per cent of total lump sum value of contract on completion of successful acceptance test of all machines."

386. Ewbank sought payment of the £64,280 from Gulf Cable in a letter dated 30 September 1991. Ewbank acknowledged that no amounts were payable pursuant to the terms of the contract, but asserted that the circumstances justified payment for the work done. Gulf Cable refused payment, stating in a fax dated 4 November 1991 that the "balance payments could become due only after completion of installation of machines...which unfortunately could not take place".

387. Ewbank states that completion of the next stages of the project could not take place because "invading army personnel decommissioned and confiscated" the plant being installed in the factory in 1990 as well as the majority of the plant previously commissioned in the "1978 project".

2. Analysis and valuation

388. The Panel finds that Ewbank has submitted sufficient evidence to show that it entered the contract with Gulf Cable and has been paid instalments a, b, c, and d under the contract, totalling £95,000. Ewbank submitted a copy of the contract with Gulf Cable, the Bid Assessment Report for April 1989, the Monthly Reports for March and April 1990, and the relevant invoices.

389. In support of the alleged work in progress for instalments e and f of the contract, which Ewbank has valued at £64,280, Ewbank has submitted a project programme, a man-hours analysis, and an expenses analysis.

390. The Panel determines that Gulf Cable has not paid Ewbank the £64,280. The correspondence from Gulf Cable is unequivocal in this regard.

391. The Panel finds that Ewbank's losses in relation to the work in progress for instalments e and f of the contract were directly caused by Iraq's invasion and occupation of Kuwait. The reason Ewbank was prevented from completing the installation of the machines, and prevented from performing the successful acceptance test, which would have entitled it to payment of instalments e and f under the terms of the contract, was the theft of the machines from the factory by the invading Iraqi forces. The value of Ewbank's loss would not have been the full amount of instalments e and f. On the basis of the evidence before it, the Panel assesses Ewbank's actual loss at £50,000.

3. Recommendation for contract losses

392. The Panel recommends compensation in the amount of £50,000 (US$95,057) for contract losses.

B. Summary of recommended compensation for Ewbank

393. Based on its findings regarding Ewbank's claim, the Panel recommends compensation in the amount of US$95,057. The Panel finds the date of loss to be 2 August 1990.

XVII. THE CLAIM OF IMI YORKSHIRE COPPER TUBE (EXPORTS) LIMITED

394. IMI Yorkshire Copper Tube (Exports) Limited ("IMI") is a limited liability company registered in the United Kingdom. IMI had a contract to supply Al Basel Building and Contracting Company ("Al Basel") of Kuwait with 45 bundles of copper tube for a purchase price of £54,928. IMI asserts that the copper tube was shipped to Kuwait and during the invasion of Kuwait by Iraq a portion of the copper tube, valued at £44,928, was stolen.

395. IMI seeks compensation in the amount of US$85,415 for loss of the copper tube.

A. Loss of tangible property

396. IMI asserts that the container holding the copper tube was placed aboard the vessel for shipping to Kuwait on 19 May 1990, arrived in Kuwait on 11 June 1990, was delivered to the customer on 29 July 1990, and was "retained [sic] empty" on 30 July 1990. It asserts that after the copper tube was "delivered" to the customer on 29 July 1990, during Iraq's invasion and occupation of Kuwait, some of the copper tube was stolen. IMI calculates the value of the stolen copper tube as the invoice value of the copper, ie, £54,928, less £10,000 which it was subsequently paid (some time after October 1992) by Al Basel for the copper tube that was not stolen.

397. The Panel finds that IMI has provided sufficient evidence to prove that it entered into a contract with Al Basel to supply 45 bundles of copper tube, and that the copper was delivered to Kuwait on 29 July 1990.

398. The Panel finds that IMI was not in Kuwait at the time of the invasion to protect the property, and that some of the property was subsequently stolen. The Panel recommends compensation in the amount of £44,928 for the loss of the copper tube.

399. The Panel notes that an examination of UNCC Claim No. 4005218 filed by Al Basel has revealed that Al Basel does not seek compensation for the loss of the copper tube for which it is recommended that IMI be compensated.

400. The Panel recommends compensation in the amount of £44,928 (US$85,415) for loss of tangible property.

B. Summary of recommended compensation for IMI

401. Based on its findings regarding IMI's claim, the Panel recommends compensation in the amount of US$85,415. The Panel finds the date of loss to be 2 August 1990.

XVIII. THE CLAIM OF KASKADE DRAINS LIMITED

402. Kaskade Drains Limited ("Kaskade") is a limited liability company registered in the United Kingdom which markets and distributes a drainage system. In October 1989 it agreed to supply drainage channels and fitments to Tariq Alghanim Limited of Kuwait ("Tariq") for a net value of £14,233. The materials were shipped to Kuwait on 19 May 1990 and arrived in Kuwait mid-June. Kaskade asserts that Tariq was due to collect the materials from the Kuwait harbour area on 2 August but "following the invasion of Kuwait...was never able" to do so. Kaskade asserts that Tariq has not paid the purchase price. It seeks compensation in the amount of US$27,459 for loss of tangible property and financial losses.

A. Loss of tangible property

403. In its claim form, Kaskade had characterised this loss element as a contract loss, but the Panel finds that it is more accurately described as a loss of tangible property.

404. The contract between Kaskade and Tariq specified a "C&F lump sum price" of £14,233. Tariq issued an irrevocable letter of credit for the benefit of Kaskade in this amount on 8 March 1990.

405. The Panel finds that Kaskade has provided sufficient evidence to prove that it entered into a contract with Tariq for the supply of drainage materials, and that these materials were shipped to Kuwait in May 1990.

406. The Panel finds that Kaskade was not in Kuwait at the time of the invasion to protect the property, and that the property was subsequently stolen. The Panel recommends compensation in the amount of £14,233 for the loss of the drainage materials.

407. The Panel notes that an examination of UNCC Claim No. 4003703 filed by Tariq has revealed that Tariq seeks compensation for the loss of tangible property, including 34 items of landscaping division stock. None of the 34 items appear to be drainage materials supplied by Kaskade. When Tariq's claim is processed by the Commission, Tariq should be requested to confirm that its claim for loss of stock does not include a claim in respect of the drainage materials for which, on the facts asserted by Kaskade and accepted by this Panel, Tariq has not paid.

408. The Panel recommends compensation in the amount of £14,233 (US$27,059) for loss of tangible property.

B. Financial losses

409. Kaskade seeks compensation in respect of £210 charged by the National Westminster Bank when it returned to Kaskade the documents relating to the unpaid irrevocable letter of credit.

410. The only evidence submitted by Kaskade in support of this loss element is a letter dated 12 May 1992 from the National Westminster Bank to Kaskade returning the unpaid documents in relation to the letter of credit, and charging the fee of £210. There is no evidence that Kaskade paid the fee.

411. The Panel recommends no compensation for financial losses.

C. Summary of recommended compensation for Kaskade

412. Based on its findings regarding Kaskade's claim, the Panel recommends compensation in the amount of US$27,059. The Panel finds the date of loss to be 2 August 1990.

XIX. THE CLAIM OF PIRELLI GENERAL PLC

413. Pirelli General PLC ("Pirelli") is a public limited company registered in the United Kingdom. Pirelli asserts that during Iraq's invasion of Kuwait much of its property was destroyed. It seeks compensation in the amount of US$5,503,338 for loss of profits, loss of tangible property, payment or relief to others, and financial losses.

A. Loss of profits

414. Pirelli seeks compensation in the amount of £1,325,000 for loss of profits in the years 1990-1993. The claim is based on the difference between the actual profit made in these years, and the profit which Pirelli expected for these years prior to Iraq's invasion and occupation of Kuwait. Pirelli asserts that it expected a profit of 5.4 per cent of income based on the fact that this was the net profit percentage in the pre-invasion years 1988-1990.

415. Applying the approach taken with respect to loss of profits for future projects set out in paragraphs 93 to 95, the Panel recommends no compensation.

B. Loss of tangible property

416. Pirelli seeks compensation in the amount of £260,340 for the loss of: (a) machinery, plant and equipment (£156,833); (b) vehicles (£71,985); and (c) fixtures and fittings (£31,522).

417. Pirelli asserts that it lost the property at three sites: its offices at Salwa, its main stores at Mina Abdulla, and at the apartments of its employees, all of which were destroyed or looted during the invasion.

418. The Panel finds that Pirelli has not provided sufficient evidence to substantiate its claim. It has provided a schedule of the tangible property listing the fixed asset number, purchase date, original cost, expected life, age at 1/8/90, and replacement value of each item of property. It has also provided some photographs of some unidentified equipment taken prior to the invasion, and one of its marketing brochures showing pictures of its equipment. However, it has provided no proof of ownership, and no proof that the property was in Kuwait at the time of the invasion. Nor has it provided any documentary records.

419. In relation to loss or destruction of the property, Pirelli has submitted two photographs; one showing damage to its stores at Mina Abdulla and the other showing damage to the area manager's office.

420. The Panel notes Pirelli's explanation for the lack of evidence that "the Kuwait Authorities have always required original documents in support of all costs in relation to our Kuwait branch operations to be retained in

territory" and therefore most of the documentation was lost or destroyed during the occupation. However, this does not explain the lack of copy documents or other records which would have filled the gaps in the probative chain.

421. The Panel recommends no compensation for loss of tangible property.

C. Payment or relief to others

422. Pirelli seeks compensation in the amount of £113,416 for "termination costs" paid to nine of its employees.

423. Pirelli does not explain the nature of the "termination costs". The claim documentation provided by Pirelli refers variously to "indemnities", "severance pay", "notice entitlement", part of an air fare, salary in lieu of leave not taken in 1990, and "termination payments".

424. The Panel finds that Pirelli has not provided sufficient evidence to substantiate its claim for termination costs. It has provided evidence of the identity of only three of the employees, in the form of photocopies of their passports.

425. In proof of payment, in respect of five of the employees, Pirelli has provided letters, internal memorandums or file notes produced by itself which either make arrangements for payments to be made, or refer to payments having been made.

426. It has submitted some independent evidence that payments of some description were made. There are two letters from one of the employees (Mohammed Pervaiz Akhtar) thanking Pirelli for certain payments, although the letters do not specify the nature of the payment nor the amount. There is a letter from another of the employees (Shahid Maqbool) asking Pirelli for payment of "indemnities" and stating that he had spoken to three other employees (Arif Butt, Aslam Saeed & Ishtiaq) "who all confirm that their indemnities have already been settled". Two letters from another employee advise Pirelli that the employee had been sent the wrong amount for his termination payment.

427. The Panel finds that Pirelli has not provided sufficient explanation of its claim to enable the Panel to determine whether the termination costs were directly caused by Iraq's invasion and occupation of Kuwait, or to enable the Panel to match the amounts claimed with the amounts stated in the documentation submitted by Pirelli.

428. The Panel recommends no compensation for payment or relief to others.

D. Financial losses

429. Pirelli seeks compensation in the amount of £1,196,000 for interest incurred on certain term loans and overdraft facilities which it had with the National Bank of Kuwait. It states that it paid interest totalling £1,196,000 in respect of these loans and facilities for the period August 1990 to December 1993. Its only explanation of the claim is that the interest was "incurred as a direct result of the delays in securing payments from the MEW for contracts which were in the process at the time of the invasion".

430. The Panel finds that Pirelli has not provided sufficient evidence to substantiate its claim. It has not, for example, provided evidence that it actually had contracts in existence with "MEW".

431. The Panel finds that the interest losses asserted by Pirelli were not directly caused by Iraq's invasion and occupation of Kuwait, but by the economic decision of Pirelli not to repay the principal on the loans and overdraft facilities.

432. The Panel recommends no compensation for financial losses.

E. Summary of recommended compensation for Pirelli

433. Based on its findings regarding Pirelli's claim, the Panel recommends no compensation.

XX. THE CLAIM OF LEWIS & ZIMMERMAN ASSOCIATES, INC.

434. Lewis & Zimmerman Associates, Inc ("Lewis") is a legal entity with limited liability incorporated in the State of Maryland, United States of America. Lewis is a firm of professional engineers, architects, and certified value specialists. It entered into a contract with KEO Architects Engineers Planners ("KEO") to provide consulting value engineering services in relation to two design projects which KEO was undertaking for the Kuwaiti Ministry of Public Works. Lewis invoiced KEO for a total amount of US$74,456. KEO has paid US$35,570. Lewis seeks compensation in the amount of US$38,886 for the outstanding amount.

A. Contract losses

1. Facts and contentions

435. The contract between Lewis and KEO was entered into on 4 May 1990. The total lump sum price for Lewis's services was US$60,741 to be paid in two instalments: (i) 90 per cent on submission of the Value Engineering Study Reports to various specified bodies; and (ii) 10 per cent on approval of the reports by the Kuwaiti Ministry of Public Works. In addition, Lewis was to invoice KEO for the travel expenses to and from Kuwait for four of its engineers.

436. The value engineering studies comprised three phases: (i) preparation phase; (ii) workshop phase; and (iii) post-workshop phase. The workshop phases of the two studies were completed in Kuwait over 19-22 May 1990 in respect of the "S22" project, and 20-29 May 1990 in respect of the "S23" project. The Value Engineering Study Reports were submitted to the Kuwaiti Ministry of Public Works on 18 June 1990. Lewis asserts that it was engaged in the post-workshop phase at the time of the invasion.

437. Lewis invoiced KEO on 15 May 1990 for US$13,716 for air travel expenses to Kuwait; and on 12 June 1990 for US$60,740 for the 90 per cent of the contract value due upon submission of the reports.

438. Lewis pursued payment of its invoices from September 1990 to May 1994. It corresponded with KEO, the Kuwaiti Ministry of Public Works, the Kuwaiti Embassy in Washington and the U.S. Department of Commerce. In May 1994 it reached an agreement with KEO by which KEO agreed to pay the "direct labor and other direct costs" incurred by Lewis on the contract. These costs amounted to US$35,570, the amount by which Lewis subsequently reduced its claim.

2. Analysis and valuation

439. The Panel finds that Lewis has provided sufficient evidence to prove that it entered the contract with KEO and completed it. The payment provisions make it clear that the monies claimed by Lewis were largely due

on the submission of the reports and the balance within a limited time thereafter.

440. However, the Panel finds that Lewis's contract loss was not directly caused by Iraq's invasion and occupation of Kuwait. It was caused essentially by the refusal of KEO to honour its clear contractual obligations. KEO made an economic decision as to the use of its available resources. That use did not include full payment to Lewis. Lewis effectively accepted this decision when it compromised its claim.

3. Recommendation for contract losses

441. The Panel recommends no compensation for contract losses.

B. Summary of recommended compensation for Lewis

442. Based on its findings regarding Lewis's claim, the Panel recommends no compensation.

XXI. SUMMARY OF RECOMMENDED COMPENSATION

443. Based on the foregoing, the Panel recommends the following amounts of compensation for direct losses suffered by the claimants as a result of Iraq's invasion and occupation of Kuwait:

(a) Lescomplekt Ltd (Bulgaria): US$14,260;

(b) Telecomplect AD (Bulgaria): US$265,180;

(c) China Civil Engineering Construction Corporation (China): US$279,782;

(d) China Harbour Engineering Company (China): US$1,146,669;

(e) The General Company for Land Reclamation (Egypt): nil;

(f) CIPEC (France): nil;

(g) Freyssinet International et Compagnie (France): nil;

(h) Chemitherm Plants and Systems Pvt Ltd (India): nil;

(i) Murazumi Construction Co. Ltd (Japan): US$464,744;

(j) Corderoy International Limited (United Kingdom): nil;

(k) Costain International Limited (United Kingdom): US$27,042;

(l) Ewbank Preece Limited (United Kingdom): US$95,057;

(m) IMI Yorkshire Copper Tube (Exports) Limited (United Kingdom): US$85,415;

(n) Kaskade Drains Limited (United Kingdom): US$27,059;

(o) Pirelli General PLC (United Kingdom): nil; and

(p) Lewis & Zimmerman Associates, Inc,(United States of America): nil.

Table 4: Table of recommended compensation

Claimant	Claim amount	Recommended compensation
Lescomplekt Ltd	US$1,042,868	US$14,260
Telecomplect AD	US$825,394	US$265,180
China Civil Engineering Construction Corporation	US$9,224,548	US$279,782
China Harbour Engineering Company	US$2,623,588	US$1,146,669
The General Company for Land Reclamation	US$14,778,645	nil
CIPEC	US$79,359	nil
Freyssinet International et Compagnie	US$3,334,131	nil
Chemitherm Plants and Systems Pvt Ltd	US$250,502	nil
Murazumi Construction Co. Ltd	US$1,599,843	US$464,744
Corderoy International Limited	US$95,852	nil
Costain International Limited	US$422,786	US$27,042
Ewbank Preece Limited	US$122,205	US$95,057
IMI Yorkshire Copper Tube (Exports) Limited	US$85,415	US$85,415
Kaskade Drains Limited	US$27,459	US$27,059
Pirelli General PLC	US$5,503,338	nil
Lewis & Zimmerman Associates, Inc	US$38,886	nil

Geneva, 25 June 1999

(Signed) Mr. John Tackaberry
Chairman

(Signed) Mr. Pierre Genton
Commissioner

(Signed) Vinayak Pradhan
Commissioner

Annex VI

Decision concerning the ninth instalment of E3 claims taken by the Governing Council of the United Nations Compensation Commission at its 90th meeting, held at Geneva on 30 September 1999*

The Governing Council,

Having received, in accordance with article 38 of the Provisional Rules for Claims Procedure, the report and recommendations made by the panel of Commissioners concerning the ninth instalment of "E3" claims, covering sixteen claims, 1/

1. **Approves** the recommendations made by the panel of Commissioners, and, accordingly,

2. **Decides**, pursuant to article 40 of the Rules, to approve the amounts of the recommended awards concerning the claims covered in the report. The aggregate amounts per country, as noted in paragraph 443 of the report, are as follows:

Country	Number of claims recommended for payment	Number of claims not recommended for payment	Amount of compensation claimed (US$)	Amount of compensation recommended (US$)
Bulgaria	2	-	1,868,262	**279,440**
China	2	-	11,848,136	**1,426,451**
Egypt	-	1	14,778,645	**nil**

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* Previously issued as document S/AC.26/Dec.76 (1999).

1/ The text of the report appears in document S/AC.26/1999/16 (annex V above).

Country	Number of claims recommended for payment	Number of claims not recommended for payment	Amount of compensation claimed (US$)	Amount of compensation recommended (US$)
France	-	2	3,413,490	nil
India	-	1	250,502	nil
Japan	1	-	1,599,843	464,744
United Kingdom	4	2	6,257,055	234,573
United States	-	1	38,886	nil
Total	9	7	40,054,819	2,405,208

3. Reaffirms that when funds become available payments shall be made in accordance with decision 73 (S/AC.26/Dec.73 (1999)),

4. Recalls that when payments are made in accordance with decision 73 (S/AC.26/Dec.73 (1999)) and pursuant to the terms of decision 18 (S/AC.26/Dec.18 (1994)), Governments shall distribute amounts received to the designated claimants in respect of approved awards within six months of receiving payment, and shall, not later than three months after the expiration of this time limit, provide information on such distribution,

5. Requests the Executive Secretary to provide a copy of the report to the Secretary-General, to the Government of the Republic of Iraq and to each respective Government.

Annex VII

Report and recommendations of the Panel of Commissioners concerning the second instalment of E4 claims*

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* Previously issued as document S/AC.26/1999/17.

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Introduction

1. At its twenty-fourth session, held on 23-24 June 1997, the Governing Council of the United Nations Compensation Commission (the "Commission") appointed Messrs. Robert R. Briner (Chairman), Alan J. Cleary and Lim Tian Huat as the Panel of Commissioners (the "Panel") charged with reviewing "E4" claims. The "E4" population consists of claims submitted by Kuwaiti entities, other than oil sector and environmental claims, eligible to file claims under the Commission's "Claim Forms for Corporations and Other Entities" ("Form E").

2. The second instalment of 381 "E4" claims was submitted to the Panel on 8 February 1999, in accordance with article 32 of the Provisional Rules for Claims Procedure (S/AC.26/1992/10) (the "Rules").

3. Pursuant to article 38 of the Rules, this report contains the Panel's recommendations to the Governing Council concerning the second instalment claims.

I. OVERVIEW OF THE SECOND INSTALMENT CLAIMS

4. The second instalment claims were selected from among the population of approximately 2,750 "E4" claims on the basis of criteria that include, _inter alia_, the size, volume and complexity of the claim, the legal, factual, and valuation issues raised by the claim, and the date of filing of the claim with the Commission.

5. The second instalment claims allege losses aggregating Kuwaiti dinars ("KD") 162,294,110 (approximately US$561,571,315). The claims range between KD 1,840 and KD 6,521,208 (i.e., between approximately US$6,367 and US$22,56[illegible],734) in value.

6. All the claimants, except one, in the second instalment operated in Kuwait prior to Iraq's invasion and occupation of Kuwait. Most of these businesses traded in consumer items, textiles, construction materials, vehicles, vehicle parts and industrial products. Many claimants were engaged in service industries, e.g., construction and engineering services, real estate, transportation, and security services. The second instalment also includes claims from Kuwaiti co-operative societies.

7. Claimants in this instalment have sought compensation under all loss categories identified on Form E, except loss of business transaction or course of dealing. The two most common losses asserted in this instalment are loss of tangible property (mainly furniture, fixtures, equipment and stock) and loss of earnings or profits. Second instalment claimants also submitted claims for uncollectible receivables, restart costs, interest and claim preparation costs under the "other losses" category.

II. THE PROCEEDINGS

8. Before the second instalment claims were submitted to the Panel, the secretariat undertook a complete review of these claims in accordance with the Rules. The secretariat first carried out a preliminary assessment of the claims, pursuant to article 14 of the Rules, to verify whether the claims met the formal requirements of articles 14(1) and 14(2). For example, the claims were reviewed to ascertain whether they included proof of incorporation or organization under the laws of Kuwait on the date the claim arose, and contained an affirmation by the authorized official for each claimant that the information contained in the claim is correct. The results of this formal review were entered into a centralized database maintained by the secretariat (the "Claims Database").

9. Of the 381 claims included in the second instalment, 262 presented formal deficiencies; accordingly, the secretariat issued notifications to all 262 claimants, pursuant to article 15 of the Rules. The secretariat received 22 responses to these article 15 notifications, which responses remedied the formal deficiencies in those 22 claims.

10. However, the secretariat did not receive responses to the article 15 notifications for the remaining 240 claims. With regard to these 240 claims, only one had filed a statement of its claim. Furthermore, none of the 240 claimants provided any evidence that established, in any manner, the circumstances or amount of the losses claimed.

11. These 240 claimants generally submitted only company incorporation documents with Form E. Many claims also included a standard form declaration, signed by the claimant. The declaration asserted that the losses listed on Form E were a direct result of Iraq's invasion and occupation of Kuwait and stated that the claimant would subsequently provide proof of the circumstances and amount of the loss. No such further evidence was ever filed with the Commission.

12. Consequently, the secretariat issued further notifications to these 240 claimants, pursuant to article 15 of the Rules, giving them 60 days, from the date of the second notification, to remedy the defects. The claimants were advised that if the formal deficiencies were not remedied within that period, the claim would be considered as not having been filed or would be presented to the Panel "as is", depending on the type of deficiency identified.

13. However, in every case, no response to these notifications was received. In view of the above, the Panel finds that these 240 claims, identified in annex III to this report, did not submit sufficient information or documentation to support their asserted losses and should not be awarded any compensation. Thus, all future references in this report to the claims in instalment 2 are references to the 141 claims which met the formal requirements of articles 14(1) and 14(2) of the Rules.

14. A substantive review of the second instalment claims was then undertaken by qualified professionals (legal officers, accountants and loss adjusters) within the secretariat, to identify significant legal, factual and valuation issues. The results of the review, including the significant issues identified, were recorded in the Claims Database.

15. The Executive Secretary of the Commission submitted reports dated 8 July 1998, 13 October 1998 and 26 April 1999 to the Governing Council in accordance with article 16 of the Rules. These reports covered, inter alia, the second instalment of "E4" claims and presented the significant legal and factual issues identified in these claims. The only information relating to the second instalment claims included in the Executive Secretary's 26 April 1999 report to the Governing Council was statistical information on the 240 claims presenting formal deficiencies discussed above. A number of Governments, including the Government of Iraq, submitted to the secretariat for transmission to the Panel additional information and views in response to the Executive Secretary's article 16 reports.

16. Accordingly, at the conclusion of the (i) preliminary assessment; (ii) substantive review; and (iii) article 16 reporting, the secretariat submitted the following documents to the Panel for consideration:

(a) the claim documents submitted by the claimants;

(b) the preliminary assessment reports prepared by the secretariat under article 14 of the Rules;

(c) information and views of Governments, including the Government of Iraq, received in response to the article 16 reports; and

(d) other information, such as legal briefing notes, deemed, under article 32 of the Rules, to be useful to the Panel for its work.

17. As described in paragraph 17 of the "Report and recommendations made by the Panel of Commissioners concerning the first instalment of 'E4' claims" (S/AC.26/1999/4) (the "First 'E4' Report"), the Panel retained the services of an accounting firm and a loss adjusting firm as expert consultants. The Panel directed the expert consultants to review each claim in the second instalment in accordance with the verification and valuation methodology developed by the Panel as outlined in the First "E4" Report and to submit to the Panel a detailed report for each claim summarizing the expert consultants' findings. The methodology used by the Panel in the First "E4" Report is not restated in this report. Instead, this report makes reference to the First "E4" Report.

18. By its first procedural order dated 9 February 1999, the Panel gave notice of its intention to complete its review of the second instalment claims and submit its report and recommendations to the Governing Council within 180 days of 8 February 1999. In view of the additional information

obtained by the secretariat, pursuant to the provisions of article 34 of the Rules, the Panel issued no other procedural orders.

19. The Panel's first procedural order was transmitted to the Government of Iraq and the Government of Kuwait on 11 February 1999.

20. An additional level of verification was performed to determine if related claimants filed duplicate claims. On 8 May 1998, Kuwait's Public Authority for Assessment of Compensation for Damages Resulting from Iraqi Aggression ("PAAC") was asked to identify the corporate affiliates of claimants that had also filed a claim with the Commission. Based on the information received in response from PAAC and the claim information available to the secretariat in the Claims Database, a review was done to ensure that related claimants did not file a claim for the same loss. This verification was performed on the entire E4 population, not just the second instalment claims.

21. Pursuant to article 34 of the Rules, the secretariat requested additional information from the claimants in order to assist the Panel in its review of the claims. All such requests were directed through PAAC. With regard to copies of the claimants' audited financial statements or accounts ("accounts"), the secretariat notified PAAC of the claimants who had not provided accounts for the three fiscal years prior to and following Iraq's invasion and occupation of Kuwait. The first notice for accounts was sent to PAAC on 20 April 1998. The second notice was sent on 20 November 1998, noting those claimants who had not provided any supplemental accounts. The third notice was sent on 21 January 1999 with regard to claimants who had not submitted accounts for 1987. A final notice, sent on 8 February 1999, concerned claimants who had failed to submit accounts for any relevant period.

22. Similarly, with respect to claims for lost vehicles, the claimants were asked on 20 August 1998 to provide drop registration or deregistration certificates, as defined at paragraph 131 of the First "E4" Report, for all vehicles.

23. With respect to claims for uncollectible receivables, the claimants were asked on 24 September 1998 to provide evidence that the debtors cannot pay their debts to the claimants because they (1) have been officially declared bankrupt, or (2) are otherwise out of business as a direct result of Iraq's invasion of Kuwait. (See paras. 86-92, infra.)

24. With respect to loss of contract claims, the claimants were asked on 22 October 1998 to provide evidence that the contract had been repudiated or cancelled. The claimants were instructed that the declaration should include the specific circumstances of such repudiation or cancellation including, but not limited to, the date that such event occurred. Claimants who were unable to provide this evidence were asked to explain why.

/...

25. With respect to claims for the value of cancelled Kuwaiti dinar currency notes, claimants were asked on 22 December 1998 to provide a detailed schedule, including serial numbers and denominations of the cancelled notes, or an attestation from an independent public accounting firm concerning the amount and serial numbers of the cancelled Kuwaiti dinars held by the claimant. (See paras. 98-99, infra.)

26. With respect to the cost of returning employees to Kuwait, the claimants were asked on 6 January 1999 to provide additional information to assist the Panel. (See paras. 93-97, infra.)

27. Based on its review of the documents submitted, the Panel concluded that the issues presented by the second instalment claims had been adequately developed and that oral proceedings to further explore such issues were not required.

III. LEGAL FRAMEWORK

28. The legal framework for the evaluation of the claims in the second instalment is identical to that used for the claims in the first instalment, as described in paragraphs 25-31 of the First "E4" Report.

IV. VERIFICATION AND VALUATION OF CLAIMS

29. The verification and valuation methodology applied by the Panel to the second instalment claims is the same as that used in the first instalment. (See the First "E4" Report, paras. 32-62.) Where the Panel encountered new issues not addressed in the First "E4" Report, the Panel developed methodologies for verifying and valuing those losses as described below. As summarized in the First "E4" Report, the Panel's approach to the verification and valuation of claims balances the claimant's inability to always provide best evidence against the "risk of overstatement" introduced by shortcomings in evidence. The term "risk of overstatement", as defined at paragraph 34 of the First "E4" Report, is used to refer to cases in which claims contain evidentiary shortcomings that prevent their precise quantification and therefore present a risk that they might be overstated. As with the First "E4" Report, the Panel's treatment of certain claimants is highlighted in the body of this report.

V. THE CLAIMS

30. Applying the verification and valuation methodology described in the First "E4" Report, the Panel reviewed the second instalment claims according to the nature and type of loss identified. Accordingly, the Panel's recommendations have been set out below by loss type. Reclassified losses have been dealt with in the section pertaining to the loss category into which the Panel reclassified the losses.

/...

A. Contract

31. Three claimants in this instalment asserted claims aggregating KD 774,492 (approximately US$2,679,903) for loss of contract.

32. Claims for loss of contract in this instalment do not relate to contracts with the Government of Iraq or to contracts requiring performance in Iraq.

33. One claimant, Al Sabrya Trading & Contracting Company sought compensation for the loss of rental income on two properties. This claim was submitted by the claimant in the "other" category and was reclassified and reviewed as a loss of contract claim.

34. A second claimant, Honeywell Kuwait KSC ("Honeywell") asserted a claim for loss of contract that relates to ongoing installation and maintenance contracts in Kuwait affected by Iraq's invasion and occupation of Kuwait. The claimant alleges that it ceased operations in August 1990 and upon recommencement of business, the contracting parties treated the contracts as terminated by reason of frustration. The claim relates to work-in-progress that remained unbilled, and to anticipated profits. The elements of the claim relating to anticipated profits were reclassified and reviewed as a loss of profits claim. The elements of the claim relating to unbilled costs were reviewed as a loss of contract claim.

35. A third claimant, Ali & Fouad M.T. Al Ghanim Trading & Contracting Company, asserted a claim for losses in connection with a contract with the Ministry of Health in Kuwait. The claimant had contracted to supply and install an ambulance communication system. This claimant also filed a claim for loss of contract in connection with the loss of an equity investment in an Iraqi joint venture company. However, this second claim was reclassified and reviewed as a loss of income-producing property claim and is discussed in the section of this report pertaining to that loss category. (See paras. 66-69, infra.)

1. Compensability

36. The Panel determines whether a contract claim is compensable by evaluating the loss under the appropriate review methodology. Thus, amounts billed under a contract but not received are reviewed as uncollectible receivables. Profits that would have accrued from goods or services to be provided over the remainder of a terminated or repudiated contract are reviewed as loss of profits.

2. Verification and valuation method

37. The verification and valuation method adopted by the Panel for valuing loss of contract claims is the same as that set forth at paragraphs 77-84 of the First "E4" Report.

/...

3. Evidence submitted

38. Al Sabrya Trading & Contracting Company's claim deals with loss of rental income on two properties. The claimant provided copies of the lease agreements in the claimant's name, which were in existence prior to Iraq's invasion and occupation of Kuwait, together with copies of lease agreements for the same properties which were executed after liberation. The claimant also provided a certificate from its auditors stating that the rental income from the two properties was not included in the claimant's accounts, but accrued to the claimant's general manager personally, as he had constructed the rental properties at his own expense.

39. The Panel noted that the claimant's general manager had confirmed that he had not filed a claim for the rental income personally. This was confirmed by a cross-check carried out by the secretariat. In the circumstances, the Panel has allowed Al Sabrya Trading and Contracting Company to proceed with the claim for loss of rental income on these two properties.

40. The Panel recommends compensation for this claimant for the losses related to the rental contracts. However, the Panel finds that the failure by the claimant to make any allowance for expenses which would necessarily have been incurred in connection with the rental contracts, and failure to provide documentation evidencing payment of rentals up to the date of Iraq's invasion and occupation of Kuwait, present a "risk of overstatement". The Panel adjusted the claim to offset such "risk of overstatement".

41. The Panel finds that while Honeywell did establish the existence of valid contractual relationships at the time of the loss (see para. 34, *supra*), it did not provide evidence of the repudiation or cancellation of those contracts. The Panel finds that there is no reasonable explanation for the failure to provide such evidence and recommends that the claim be disallowed.

42. Ali & Fouad M.T. Al Ghanim Trading & Contracting Company's claim relates to the loss of seven shipments of equipment that was purchased for performance of its contract with the Kuwait Ministry of Health. The equipment was subsequently stolen during Iraq's invasion and occupation of Kuwait. The Panel finds that the claimant has provided evidence to establish the existence of a valid contract and of payments made for the purchase of some of the equipment. However, the Panel has disallowed the elements of the claim where proof of payment for the equipment has not been provided.

43. The Panel's treatment of contract losses can be reviewed in annex II.

B. Real property

44. Thirty-five claimants in this instalment asserted claims aggregating KD 1,411,382 (approximately US$4,883,675) for loss of real property.

1. Compensability

45. These claims relate to damage to various freehold and leasehold premises in Kuwait. The compensability standards applied by the Panel are the same as those used in the first instalment. (See the First "E4" Report, paras. 89-91.) As was the case in the first instalment of "E4" claims, most claimants established the fact and nature of damage to their buildings and facilities by providing copies of witness statements, survey reports and photographs. As in the first instalment of "E4" claims, the nature of damage alleged and the location of all the properties in Kuwait established that the damage was a result of military operations and the breakdown of civil order in Kuwait during the period of Iraq's invasion and occupation of Kuwait. Accordingly, the direct causal link between the losses alleged and Iraq's invasion and occupation of Kuwait is sufficiently well established in the second instalment claims for loss of real property.

46. All claims were based on the actual costs incurred in repairing the properties or estimates of such costs.

2. Verification and valuation method

47. The verification and valuation method adopted by the Panel for valuing loss of real property claims is the same as set forth at paragraphs 92-101 of the First "E4" Report.

3. Evidence submitted

48. Most claimants submitted copies of title deeds or leases to establish their interest in the affected properties. Where leases were submitted, the secretariat performed additional checks to ensure that no duplicate claims had been filed by the owners of the leased properties. The Panel also referred to the claimants' audited accounts to corroborate the claimants' interest in the affected properties.

49. Other claimants sought to support repair costs by providing copies of payment receipts or certificates, invoices, contract documents and audited accounts. However, as for the first instalment of "E4" claims, most claimants did not include any adjustments for applicable maintenance or depreciation in their asserted losses. The Panel adjusted the claims to account for these items. Similar adjustments were made by the Panel in cases of "betterment" as defined in paragraph 97 of the First "E4" Report.

50. Where a claimant based its claim on estimated repair costs and did not give a reasonable explanation for its failure to carry out the repairs,

/...

the Panel finds a "risk of overstatement" to exist. Such claims were adjusted to offset such "risk of overstatement".

51. The Panel's treatment of real property losses can be reviewed in annex II.

C. Tangible property

52. Tangible property losses are raised in all but 20 of the second instalment claims, aggregating KD 41,021,456 (approximately US$141,942,754). As in the case of the first instalment of "E4" claims, the claims for loss of tangible property relate mainly to loss of stock, furniture, fixtures, equipment and vehicles. Other claims in this category relate to loss of cash.

1. Compensability

53. With regard to the compensability of claims for tangible property losses, the Panel applied the same approach taken in the First "E4" Report. (See the First "E4" Report, paras. 108-109.) Most claimants establish the fact and nature of damage to tangible property by providing copies of witness statements, statements from their audited accounts and photographs. Also, as in the case of the first instalment of "E4" claims, the claims establish, in accordance with paragraph 21 of Governing Council decision 7, that the damage was a result of military operations in Kuwait, actions by officials, agents or employees of the Government of Iraq or its controlled entities during the period of Iraq's invasion and occupation of Kuwait, in connection with the invasion or occupation and the breakdown of civil order in Kuwait during that period. Accordingly, the direct causal link between the loss alleged and Iraq's invasion and occupation of Kuwait is sufficiently well established in the second instalment claims for loss of tangible property.

2. Verification and valuation method

54. The Panel's approach to the verification and valuation of tangible property losses depends on the nature of the asset affected. Accordingly, the approach adopted varies for stock, cash, vehicles and other tangible property losses. The verification and valuation methodology adopted by the Panel for loss of tangible property claims is the same as set forth at paragraphs 110-135 of the First "E4" Report.

3. Evidence submitted

(a) Tangible property

55. Most claimants in this instalment submitted audited accounts to establish the existence, ownership and value of the tangible assets damaged or lost as a direct result of Iraq's invasion and occupation of Kuwait. In establishing the fact and cause of loss, claimants relied on assertions in

their statement of claim and witness statements. These assertions were generally corroborated by additional documents, such as photographs and independent survey reports. The Panel also relied on the claimants' post-liberation audited accounts. These accounts showed the losses of tangible property as extraordinary losses incurred as a direct result of Iraq's invasion and occupation of Kuwait, and as such provided additional independent verification of the loss.

56. Many claimants sought to value their loss using estimated repair or replacement costs. As in the case of similar real property claims, such claims were found to present a "risk of overstatement" if the claimant did not provide sufficient evidence explaining why it had not repaired or replaced the assets concerned. In some cases the Panel was able to rely on the claimant's post-liberation accounts to determine whether the claimant had subsequently repaired or replaced the affected assets.

(b) Stock

57. For most claimants, the existence, ownership and value of stock lost were supported by copies of the claimants' audited accounts, original inventory purchase invoices and "roll-forward" calculations, as defined in paragraph 119 of the First "E4" Report.

58. As was the case for the first instalment of "E4" claims, successful claims for loss of goods in transit related to goods that were in Kuwait on the day of Iraq's invasion and that were subsequently lost. These claimants were able to establish the ownership, existence and loss of the goods by providing certificates issued by the Kuwaiti port authorities or shipping agents.

59. The Panel found that several Kuwaiti co-operative society claimants were holding levels of stock at the time of Iraq's invasion and occupation of Kuwait that were materially higher than the average levels of stock held by such claimants at the end of previous fiscal years. The Panel found that such a stock build-up was justified in the majority of cases, as there was a documented increase in demand around the month of August, to cater for Kuwaiti residents returning from their summer vacations. However, where the level of stock build-up was higher than an amount justified by the documented increase in demand, the Panel adjusted the claim to the average stock levels justified by the increase in demand.

(c) Cash

60. As was the case for the first instalment of "E4" claims, successful claimants alleging cash losses were able to substantiate their claims by providing, among other things, contemporaneous records establishing cash held on 2 August 1990, such as previous month-end cash balances, copies of daily bank deposit statements, cash flow registers and monthly sales ledgers.

61. Claimants for whom no award has been recommended generally sought to rely only on witness statements without providing any additional documents substantiating their claims.

(d) Vehicles

62. Virtually all claimants were able to establish their ownership of lost vehicles, on the date of the loss, by providing copies of the deregistration certificates issued by the Government of Kuwait. The fact of loss was generally established by the deregistration certificates together with additional substantiating documents such as witness statements describing the circumstances of the loss and post-liberation audited accounts recording the loss of vehicles as an extraordinary item.

63. Where claimants did not provide deregistration certificates or where the name of the owner in the deregistration certificate could not be linked to the claimant or its owners, directors or employees, the Panel recommends disallowing the claim.

64. The asserted values of the vehicles lost were separately verified by the Panel against vehicle values contained in the M.V.V. Table (as defined at para. 135 of the First "E4" Report) or, for vehicles not listed in the M.V.V. Table, against other third party estimates. In the case of third party estimates, the Panel tested these estimates by applying alternative valuation methods such as the net book value and depreciated replacement cost methods.

65. The Panel's treatment of tangible property losses can be reviewed in annex II.

D. Income-producing property

66. One second instalment claimant, Arabian Cement Co. W.L.L., raised a claim for loss of income-producing property. However, after reviewing the nature of the claim, it was determined that the loss should be reclassified into other categories, including, loss of profits, uncollectible receivables, and loss of tangible property. A second claimant, Ali & Fouad M.T. Al Ghanim Trading & Contracting Company, has submitted a claim under the category of "loss of contract" which was reclassified and reviewed as a claim for loss of income-producing property.

67. Ali & Fouad M.T. Al Ghanim Trading & Contracting Company seeks compensation for the loss it allegedly suffered in connection with its investment in a joint venture between itself and an Iraqi Government entity. Part of the claimant's contribution to the share capital of the joint venture was transferred into a bank account in the name of the joint venture in Iraq, and was used for the registration of the joint venture. The claimant states that the joint venture did not commence operations prior to Iraq's invasion and occupation of Kuwait, and that the claimant has been unable to make any contact with the Iraqi joint venture partner

since the liberation of Kuwait. The issue addressed by the Panel is whether the claimant has suffered a loss directly resulting from Iraq's invasion and occupation of Kuwait.

68. The Panel noted that no evidence had been adduced that the joint venture company had been put into liquidation or otherwise dissolved as a result of Iraq's invasion and occupation of Kuwait. The Panel further notes that the claimant has not described its attempts, if any, to contact its joint venture partner for the purposes of either recovering its investment or resuming operations. The Panel accordingly determines that this claim is not compensable as the claimant has failed to provide evidence sufficient to establish an actual and permanent loss.

69. The Panel's treatment of income-producing property losses can be reviewed in annex II.

E. Payment or relief to others

70. Twenty-one claimants in this instalment submitted claims aggregating KD 1,464,063 (approximately US$5,065,962) for payment or relief to others. Several Kuwaiti co-operative societies seek compensation for the value of goods and cash that were freely distributed to the general public in Kuwait during the occupation period. Three claimants seek reimbursement for redundancy payments or "termination indemnities" which they paid to their non-Kuwaiti employees in respect of the termination of those employees' employment contracts. One claimant seeks reimbursement for salary payments made to one of its employees who was held as a prisoner of war in Iraq. Other claimants seek reimbursement for the cost of returning employees to Kuwait after liberation.

1. Compensability

71. The Panel followed the same approach taken in the First "E4" Report, (see paras. 153-154), with the addition of the items noted below. For amounts claimed by way of compensation for the free distribution of goods and cash, the Panel finds that such payments were of a voluntary nature and that such a voluntary act broke the chain of causation that would otherwise have directly linked such losses to Iraq's invasion of Kuwait. Hence, the Panel finds that such payments are not compensable.

72. In respect of termination indemnities, i.e., amounts paid pursuant to an employment contract terminated during Iraq's invasion and occupation of Kuwait, the Panel finds that the losses arising from the payment of those termination indemnities, are, in principle, compensable as losses arising directly from Iraq's invasion and occupation of Kuwait. The Panel considered the effect of the invasion and occupation of Kuwait on the employment contracts of non-Kuwaiti employees, and considered two memoranda adopted by the Kuwaiti Council of Ministers entitled "The Impact of the Iraqi Invasion of the State of Kuwait on Government Contracts and the Legal Status of Those Who Work for the Government of Kuwait". The Panel notes

that the memoranda, which were enacted as Order Number 148 of 27 January 1991 of the Kuwaiti Council of Ministers, concluded that the contractual relationship between the Government and non-Kuwaiti workers was governed by the rules applicable to contractual obligations generally and hence such employment contracts were automatically terminated by reason of force majeure. The Panel finds that the general principles set out in the memoranda may equally be applied to the status of employment contracts between private-sector Kuwaiti employers and non-Kuwaiti employees. Hence, the Panel concludes that the termination of the employment contracts of non-Kuwaiti employees was a direct result of Iraq's invasion and occupation of Kuwait. (See Governing Council decision 9 (S/AC.26/1992/9), para. 10.)

73. The Panel then considered the statutory entitlements of non-Kuwaiti employees upon termination of their employment contracts, as set out in Kuwaiti Law Number 38 of 1964. The Panel finds that the termination of the employment contracts of non-Kuwaiti employees triggered the liability of the claimants to make the statutory indemnity payments. The Panel finds that amounts claimed in respect of termination indemnities should be compensated to the extent that they are incremental, i.e., they are above and beyond the usual costs incurred by the claimant for that type of expense, and are adequately supported by documentary or other evidence of payment. In particular, the claimant must provide evidence of the following:

(a) the fact of payment;

(b) the name of each employee for which a claim for reimbursement is made; and

(c) proof that the individuals receiving such payments were employees of the claimant at the time of Iraq's invasion and occupation of Kuwait.

74. The Panel directed the secretariat to perform a cross-check to determine that the employees concerned did not also file claims for similar payment of these indemnities.

2. Verification and valuation method

75. The verification and valuation methodology adopted by the Panel for claims relating to payment or relief to others is the same as set forth at paragraphs 155-157 of the First "E4" Report. In addition, for claims relating to termination indemnities, the Panel verifies that the individuals receiving payments were employees of the claimant at the time of Iraq's invasion and occupation of Kuwait, by reference to employment contracts, payroll records or other appropriate documentary evidence.

3. Evidence submitted

76. With regard to the claims for termination indemnities, the Panel finds that the claim of Dar Al-Watan For Press, Printing & Publication is not compensable, as the amount paid by the claimant to its employees was not shown to be an incremental cost to the claimant. The remaining claims for payment of termination indemnities were adjusted to reflect the amount of the payment that represented an incremental cost to the claimant as a result of Iraq's invasion and occupation of Kuwait.

77. The Union of Consumer Co-operative Societies' claim is for salary payments made to the family of one of its employees who was held as a POW during Iraq's invasion and occupation of Kuwait. The Panel finds that for amounts claimed by way of regular (and unexceptional) salary payments, such payments represent regular expenses in the normal course of business and as such, the amount claimed has been reclassified and reviewed as a loss of profits claim.

78. The Panel's treatment of the payment or relief to others claims can be reviewed in annex II.

F. Loss of profits

79. One hundred and twenty-four claimants in this instalment submitted claims aggregating KD 17,346,848 (approximately US$60,023,696) for loss of profits.

1. Compensability

80. Four significant legal and factual issues raised by the first instalment claims are all raised by the second instalment claims. These issues all relate to the impact and assessment of (a) benefits received under the Government of Kuwait's post-liberation debt settlement programme, (b) windfall or exceptional profits earned by claimants in the period immediately following the liberation of Kuwait, (c) the indemnity period for loss of profits claims, and (d) claims for loss of profits selectively based on profitable lines of business. The conclusions reached by the Panel in relation to these issues are set forth in paragraphs 161-193 of the First "E4" Report. The Panel has applied these conclusions in its considerations and recommendations for the loss of profits claims in the second instalment.

2. Verification and valuation method

81. The verification and valuation methodology adopted by the Panel for loss of profits claims is as set forth at paragraphs 194-202 of the First "E4" Report.

3. Evidence submitted

82. Despite several requests for accounts, a number of claimants in the second instalment failed to provide annual accounts for the period 1987-1993. The Panel notes that, in some cases, the failure to submit some of the accounts was sufficiently explained, for example, where the claimant had commenced trading in the period between 1987 and 1989 or where the claimant had ceased trading following Iraq's invasion and occupation of Kuwait.

83. Loss of profits claims by businesses that failed to provide a full set of annual audited accounts for the period 1987-1993 were regarded as presenting a "risk of overstatement", unless the failure to submit the accounts was sufficiently explained.

84. Claims based on separate lines of business were verified and valued applying the principles set out in the First "E4" Report at paragraphs 188-193. One claimant, Al Jazira Trading Co. WLL had four separate lines of business and each separate division was verified and valued according to the above principles. Another claimant, Dashti & Sayegh General Trading & Contracting Co. had three lines of business and each separate division was verified and valued as set forth above. The Panel concluded that the loss of profit claims raised by the claimants' individual divisions presented a risk of overstatement where the claimant had failed to produce a set of consolidated accounts for the company as a whole which would eliminate the risks associated with intercompany transactions.

85. The Panel's treatment of loss of profits claims can be reviewed in annex II.

G. Receivables

86. Thirty claimants in this instalment asserted claims for uncollectible receivables or "bad debts" aggregating KD 4,995,748 (approximately US$17,286,325). The majority of these claims were for amounts owed by businesses or individuals located in Kuwait prior to Iraq's invasion.

1. Compensability

87. As for the first instalment of "E4" claims, most claimants sought compensation for debts that remained uncollected because debtors had not returned to Kuwait after liberation. The issue raised is whether the uncollected debt had become uncollectible as a direct result of Iraq's invasion and occupation of Kuwait.

88. The Panel reiterates its determination on this issue as set out at paragraph 209 of the First "E4" Report, namely that *claims for debts that have become uncollectible as a result of Iraq's invasion and occupation of Kuwait should demonstrate, by documentary or other appropriate evidence,*

the nature and amount of debt in question and the circumstances that caused the debt to become uncollectible.

2. Verification and valuation method

89. The second instalment claims for uncollectible receivables were verified and valued in the same manner as the first instalment claims. (See the First "E4" Report, paras. 211-215.) Only three claims satisfied the criteria established in the First "E4" Report. The remaining claimants failed to provide evidence to demonstrate that their debtors' inability to pay was a direct result of Iraq's invasion of Kuwait. This shortcoming was brought to the attention of the claimants by the secretariat as described in paragraph 23 above. While a number of responses were received from claimants, none satisfied the above criteria.

3. Evidence submitted

90. As discussed above, the Panel disallows claims that rely on mere assertions that uncollected debts are ipso facto uncollectible because the debtors did not return to Kuwait. All but three claims in this instalment have been disallowed by the Panel on the basis that there is insufficient evidence supporting the debtors' inability to pay the debt or any attempt to recover the debt by the claimant.

91. One claimant, the Union of Consumer Co-operative Societies, has provided evidence in the form of certificates from the Kuwaiti Ministry of Labour and Social Affairs that the debtors concerned had been declared bankrupt following Iraq's invasion and occupation of Kuwait, and its claim has been allowed in full.

92. The Panel's treatment of uncollectible receivables can be reviewed in annex II.

H. Restart costs

93. Nine claimants in this instalment asserted claims aggregating KD 425,446 (approximately US$1,472,131) for restart costs. The amounts claimed as restart costs have been reviewed using the existing methodology. Thus, the Panel verifies whether the claim is supported by proof of payment for the items claimed. In this regard, the Panel looks for similar evidence of payment to that required in the case of claims for payment or relief to others. The Panel disallows amounts claimed that are not supported by sufficient documentary evidence to prove that payments were actually made by the claimant. The Panel then verifies whether the cost is an incremental cost to the claimant, i.e., in excess of costs normally incurred by the claimant for this type of expense. Finally, the Panel considers whether the claimant has taken appropriate steps to mitigate its loss.

94. Specifically, the Panel encountered claims in this category for the costs of returning employees to Kuwait, recruiting new employees and the costs of cleaning-up the claimants' premises. The Panel found that many of the claims for restart costs consisted of the cost of repairing or replacing tangible assets in order to resume business. Those claims were accordingly reclassified and reviewed as loss of tangible property claims.

95. With respect to the cost of returning employees to Kuwait, the Panel adapted the existing methodology and determined that the claimant should be compensated only if the following criteria are met. First, the cost must appear reasonable. Second, the claimant must provide evidence as to which specific employees were returned to Kuwait, i.e., the employees' civil identification numbers and proof of employment at the time of Iraq's invasion and occupation of Kuwait, such as pay-roll records. Third, adequate documentary support must accompany the claim, for example, ticket receipts. Fourth, it must be established that the employees did not submit the same claim to the Commission. Finally, the payment should not appear to be in the form of a loan to the employee.

96. The claimants were asked by the secretariat on 6 January 1999 to provide the above information. Those claims for returning employees which the Panel recommends disallowing, failed to respond to this request or otherwise provide this information.

97. The Panel's treatment of restart costs can be reviewed in annex II.

I. Other losses

98. A number of claimants, including Kuwaiti co-operative societies, seek compensation for losses suffered as a result of their receipt of cancelled Kuwaiti dinar currency notes. These notes were received by the claimants who continued to operate during Iraq's occupation of Kuwait. The Central Bank of Kuwait has refused to exchange the cancelled Kuwaiti dinar currency notes on the grounds that their serial numbers indicate they are part of a batch of Kuwaiti dinar currency notes that were cancelled by the Government of Kuwait as a result of their misappropriation by Iraqi officials when they seized control of the Central Bank of Kuwait. The Panel finds that there is a direct link between the theft and circulation of the cancelled Kuwaiti dinar currency notes by Iraqi officials and the loss incurred by the claimant. Therefore, the Panel finds that such losses are compensable in principle. However, compensability of such claims is subject to the submission of sufficient evidence supporting the fact of and circumstances surrounding the loss. In particular, the claimant must:

(a) establish the circumstances under which the cancelled Kuwaiti dinars came into its possession; and

(b) provide the serial numbers of the claimed cancelled Kuwaiti dinars or an attestation from an independent public accounting firm certifying the amount and serial numbers of the cancelled Kuwaiti dinars held by the claimant, and, when requested, permit inspection by the Commission of the cancelled dinars in its possession.

99. The Panel finds that if a claimant was trading during Iraq's invasion and occupation of Kuwait, and the claimant asserts that it received the cancelled Kuwaiti dinar currency notes in the usual course of its business during that period, these facts will be sufficient to establish the circumstances under which the cancelled Kuwaiti dinars came into the claimant's possession.

100. A number of claimants, including Kuwaiti co-operative societies, seek compensation for losses incurred when they were forced to accept Iraqi dinars for products sold during Iraq's invasion and occupation of Kuwait, at an exchange rate of one Iraqi dinar to one Kuwaiti dinar. These claimants seek compensation for the difference in the value of the Iraqi dinars obtained for their sales during the occupation period, and the value of the same Iraqi dinars prior to Iraq's invasion of Kuwait. The difference in value is based on the estimated exchange rate or "market rate" between the Kuwaiti dinar and Iraqi dinar immediately prior to the invasion.

101. The Panel considered evidence that, during the occupation period, the Iraqi authorities issued a resolution withdrawing the Kuwaiti dinar from circulation and requiring the exclusive use of the Iraqi dinar in all transactions in Kuwait. The Panel also considered evidence that, during Iraq's invasion and occupation of Kuwait, the Government of Iraq issued a directive imposing an exchange rate of 1:1 between the Kuwaiti dinar and the Iraqi dinar. The Panel finds that losses arising as a result of these directives and the application of an exchange rate of one Kuwaiti dinar to one Iraqi dinar are compensable as losses directly resulting from Iraq's invasion and occupation of Kuwait.

102. As to the quantification of such losses, the Panel finds that the pre-invasion exchange rates for the two currencies should be used to determine the amount of compensation to be awarded. In order to determine the pre-invasion exchange rates for the two currencies, the Panel considered information from a number of sources, including the report to the Secretary-General by a United Nations Mission, led by former Under-Secretary-General Mr. Abdulrahim A. Farah (the "Farah Report"). The Farah Report documents an unofficial exchange rate or "market rate" of "about 10 to 12 Iraqi dinars to a Kuwaiti dinar" in July 1990 (see page 81, para. 513 of the Farah Report). The Panel also considered the E Claims Summary Report to the Commission submitted by PAAC (the "PAAC Report"), which states that prior to Iraq's invasion and occupation of Kuwait, the Iraqi dinar was valued at 0.08917181 Kuwaiti dinar to one Iraqi dinar, in other words, approximately 11 Iraqi dinars to a Kuwaiti dinar. The Panel also considered the official exchange rate at 1 August 1990 as stated in the United Nations Monthly Bulletin of Statistics, Vol. XLIV, No. 12 (December 1990), which gives an exchange rate of approximately one Kuwaiti dinar to one Iraqi dinar. The claimants themselves provide varying exchange rates.

In view of the different exchange rates observed by the Panel as described above, the Panel wishes to adopt an exchange rate that reflects the commercial reality of doing business in Kuwait prior to Iraq's invasion and occupation, and is fair and reasonable, taking into account all the relevant sources of information. The Panel therefore adopts an exchange rate of six Iraqi dinars to one Kuwaiti dinar for the purpose of the verification and valuation of these claims.

103. One claimant, Al Mulla Cleaning and Maintenance Services Co., seeks compensation for deposits it paid to the Government of Iraq in relation to assets it brought into Iraq ("customs deposits"). The claimant stated that Iraqi regulations require a certain percentage (normally 30 to 50 per cent) of the value of assets brought into Iraq for execution of contracts to be deposited with the Government of Iraq. The claimant stated that the customs deposits would have been refundable when the assets were taken out of Iraq after use, but because of the invasion, all the assets had to be abandoned and its staff had to leave Iraq. The claimant has also made a claim for the value of the abandoned assets.

104. The Panel considered the nature of the assets concerned, which were items of cleaning equipment. In the Panel's opinion it was conceivable that these assets would have been re-imported into Kuwait for use at some point in the future. The Panel concluded that the claimant's inability to recover the customs deposits did constitute a loss arising directly from Iraq's invasion and occupation of Kuwait. However, the Panel found that the claimant's claim, for both the total amount of the deposits and the full value of the equipment as at the date of the invasion and occupation of Kuwait, presented a "risk of overstatement" in relation to the recovery value of the underlying assets. The Panel adjusted the claim to offset such "risk of overstatement".

105. One claimant, Computer and Communication Concepts Company, seeks compensation for the decline in value of its inventory due to obsolescence that occurred during the period of the invasion and occupation of Kuwait. In a similar manner to tangible property losses, the Panel finds that such a loss is eligible for compensation as a direct result of Iraq's invasion and occupation of Kuwait if the claimant is able to demonstrate that the inventory was in fact rendered obsolete, and the value thereof cannot be recovered. Sufficient evidence must be provided by the claimant to demonstrate the permanent decline in the value of the property that has been rendered obsolete and an allowance for usual obsolescence must be made. The Panel notes that paragraph 9 of Governing Council decision 15 expressly provides that a "duty to mitigate applies to all claims ..." and the Panel finds that the claimant must therefore show that it has made reasonable efforts to recover the value of the inventory rendered obsolete after liberation. Computer and Communication Concepts Company met this standard and therefore the Panel finds that its claim is compensable.

106. One claimant, the Union of Consumer Co-operative Societies, seeks compensation for the value of Iraqi and Kuwaiti dinars it deposited with

the Gulf Bank in Kuwait during the occupation period, in accordance with directives issued by the Iraqi authorities requiring sales proceeds received by co-operative societies during the occupation period to be deposited with Kuwaiti banks. The claimant alleges that, after liberation, it tried to withdraw these deposits, but the Gulf Bank refused to honour the withdrawals on the basis that all transactions made during the invasion and occupation period were nullified because of their illegality in accordance with a Kuwaiti Governmental decree to that effect.

107. The Panel considered the evidence submitted by the claimant, including relevant deposit slips and correspondence with the Gulf Bank. The Panel also considered the PAAC report, which confirmed the claimant's allegation that, upon liberation, the Government of Kuwait reinstated all bank account deposits in Kuwait to the balances applicable as of 1 August 1990. In the circumstances, the Panel finds that the claimant has suffered a loss arising directly from Iraq's invasion and occupation of Kuwait and recommends that the claimant be compensated in the amount claimed.

108. One claimant, the Elegant Family Company WLL, is claiming compensation for rents paid in advance for its shop premises for the months of August and September 1990. The Panel noted that such payments are "sunk" costs that were incurred prior to Iraq's invasion and occupation of Kuwait. Furthermore, the Panel notes that any damages suffered by the claimant in this regard (e.g., profits lost due to the claimant's inability to use its premises) should be reflected in a claim for loss of profits. The Panel applied this same approach in its analysis of other claims for pre-paid expenses such as pre-paid insurance. Accordingly, the Panel finds that such claims are not compensable.

109. The Panel's treatment of other losses can be reviewed in annex II.

VI OTHER ISSUES

A. Applicable dates for currency exchange rate and interest

110. In relation to the applicable dates for currency exchange rate and interest, the Panel adopts the same approach used in the First "E4" Report. (See the First "E4" Report paras. 226-233.)

B. Claim preparation costs

111. The Panel has been informed by the Executive Secretary of the Commission that the Governing Council intends to resolve the issue of claim preparation costs in the future. Accordingly, the Panel makes no recommendation with respect to compensation for claim preparation costs.

VII RECOMMENDED AWARDS

112. Based on the foregoing, the awards recommended by the Panel for claimants in the second instalment of "E4" claims are set out in annex I to this report. The underlying principles behind the Panel's recommendations on claims in this instalment are summarized in annexes II and III to this report. All sums have been rounded to the nearest Kuwaiti dinar and therefore the amounts may vary from the amount stated on Form E by 1 KD. Annex III identifies the 240 claimants for whom no compensation is recommended, for the reasons stated in paragraphs 8-13 above.

Geneva, 30 June 1999

(Signed) **Robert R. Briner**
Chairman

(Signed) **Alan J. Cleary**
Commissioner

(Signed) **Lim Tian Huat**
Commissioner

Annex I

Recommended awards for second instalment of "E4" claims

Reported by UNSEQ and UNCC claim numbers and claimant name

UNSEQ Claim No. */	UNCC claim No.	Claimant's name	Amount claimed (KD)	Net amount claimed (KD) **/	Amount recommended (KD)	Amount recommended (US$)
E-00003	4003268	M/S. C. Purushottam Company W.L.L. & Musaad Bazzie Al Yassin Co. W.L.L.	932,637	932,637	206,287	713,749
E-00008	4003071	Deera Trading Company W.L.L. / Souad Mohammed Saoud Al-Buaijan & Sassil Said Jarjour	75,696	62,777	33,151	114,709
E-00009	4003072	International Company for Security & Safety W.L.L.	21,105	21,105	8,861	30,661
E-00010	4003073	Yousef Textile Co./Yousef Hussain Al-Awadi & Partner/Partnership Co.	73,344	73,344	23,540	81,398
E-00011	4003074	Ibrahim & Mohammed Saoud Al-Farhan Trading Co.	38,782	32,177	20,940	72,457
E-00012	4003075	Fahad Hamoud Al Ali & Partner Company	19,007	18,657	6,732	23,294
E-00014	4003078	Abdul Hadi Real Estate Co./Ahmed Y. Abdul Hadi Al Mailem & Co.	40,736	40,736	0	0
E-00015	4003079	Abdul Wahab Baqer & Sons Trading Company	51,637	44,999	18,722	64,777
E-00016	4003080	Naser Abdul Wahab Al Qatami & Company	55,429	46,824	11,486	39,742
E-00017	4003081	Spring Day Dresses & Luxuries Co. W.L.L.	138,265	138,265	91,017	314,902
E-00018	4003082	Almas Readymade Clothes Company	79,505	66,750	34,576	119,622
E-00019	4003083	Al Qatami Shipping and Trading Co. W.L.L.	37,552	31,665	2,036	7,038

UNSEQ claim No. */	UNCC claim No.	Claimant's name	Amount claimed (KD)	Net amount claimed (KD) **/	Amount recommended (KD)	Amount recommended (US$)
E-00020	4003059	Al Atti & Yabroody Trading Co. / Hafiza Abdul Hafez Yagoub & Mohammed Borhan Yabroody W.L.L.	398,679	334,452	288,850	999,481
E-00021	4003060	Al-Jassar & Al-Nemer Trading Company	49,491	49,491	18,135	62,686
E-00022	4003061	M/S. Golden Falcon Sanitary Ware Co. W.L.L.	99,219	80,205	74,031	256,112
E-00023	4003062	Sharkiya Pharmacy Company W.L.L.	74,911	64,004	58,482	201,852
E-00024	4003063	Heirs Of Abdulla Mohd. Al-Rayes Estate Co.	222,555	200,350	12,800	44,291
E-00025	4003064	International Islamic Charitable Organization	99,462	99,462	12,410	42,941
E-00026	4003065	Al Terhab Trading & Cooling Company	117,117	117,117	73,732	254,863
E-00027	4003087	Nassar Al-Shuraian's Sons General Trading & Contracting Company	155,585	143,899	72,034	249,020
E-00028	4003088	Anwar Al-Medina Co. for Export Import-Commission Agency	5,900	5,900	2,292	7,931
E-00029	4003089	Mohamed Bin Yousef Al-Nisf & Partners Co.	254,462	226,312	87,761	303,671
E-00030	4003090	Ahmadi Laundry & Dry Cleaning Plant, W.L.L.	158,843	135,016	92,406	319,634
E-00032	4003092	Ghloum Mohd. & Ahmed Morad Co.	256,835	231,534	105,861	366,301
E-00033	4003093	Al Sabrya Trd. & Cont. Co.	317,151	315,221	182,475	631,023
E-00036	4003094	Eastern Farm Company of Poultry	42,025	42,025	3,978	13,765
E-00038	4003095	Kuwait Insecticides Company W.L.L.	16,200	12,685	9,195	31,817

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UNSEQ claim No. */	UNCC claim No.	Claimant's name	Amount claimed (KD)	Net amount claimed (KD) **/	Amount recommended (KD)	Amount recommended (US$)
E-00039	4003096	Bahbahani & Safa Textile Co./ Limited Liability Co.	334,444	332,344	195,869	677,747
E-00040	4003097	Ali & Fouad M.T. Alghanim Trading & Contracting Company	505,546	419,395	16,354	56,588
E-00518	4003631	Kuwait Continental Hotel	407,725	354,884	146,016	505,246
E-00041	4003098	Ghalab Faisal Auto Parts Company / Ghalab Ghalib Al-Mutari & Co. W.L.L.	429,564	392,315	311,808	1,078,522
E-00042	4003099	Al Salam Trading & Contracting Group / Jasim Ibrahim Al Qattan & Partners Company	429,299	420,545	173,843	600,793
E-000[illegible]3	4003100	Al Sedra Electric & Electronic Equipments Co.	237,950	235,950	79,034	273,474
E-00044	4003101	IBN Al Nafis Pharmacy Co.	24,538	20,350	14,932	51,538
E-00045	4003102	Al-Massaleh Real Estate Company Ksc (closed)	605,295	463,329	54,825	189,706
E-00046	4003103	Al-Omar & Al-Qattan Company	18,414	15,750	11,174	38,664
E-00051	4003173	Shuaiba Paper Co. Ksc	1,934,683	1,808,842	955,396	3,304,065
E-00052	4003174	Honeywell Kuwait Ksc	1,392,406	1,160,404	163,492	565,517
E-00053	4003175	Altco-Yousef Saleh Al-Alayan & Sons	524,986	488,673	195,538	676,467
E-00054	4003176	The Gulf Star Electronics W.L.L.	2,030,573	1,812,337	1,275,240	4,410,378
E-00055	4003177	Marafie Computer Systems Co.	33,049	28,705	16,323	56,481
E-00058	4003180	Ajmal Real Estate Company/Adel Yousef Boresly & Partners	39,072	39,072	16,920	58,486
E-00060	4003181	Al Gahra Co-operative Society	2,170,257	2,169,307	1,184,135	4,097,353

UNSEQ claim No. */	UNCC claim No.	Claimant's name	Amount claimed (KD)	Net amount claimed (KD) **/	Amount recommended (KD)	Amount recommended (US$)
E-00061	4003182	Al Salmiya Co-operative Society	1,512,909	1,511,959	546,379	1,890,585
E-00062	4003183	Al-Reqa Co-operative Society	1,146,639	1,145,689	579,686	2,005,834
E-00063	4003184	Al Rawdah Co-operative Society	1,100,802	1,099,852	503,853	1,743,436
E-00064	4003185	Al Ardiya Co-operative Society	839,308	838,358	189,381	655,298
E-00065	4003186	Al-Daiyah Co-operative Society	672,853	671,903	399,513	1,382,398
E-00066	4003187	Al-Sulaibikhat & Doha Co-operative Society	646,866	645,916	491,868	1,700,138
E-00067	4003188	Farwania Co-operative Society	884,554	883,604	498,351	1,724,398
E-00068	4003189	Dahiat Abdullah Alsalem & Mansourieh Co-operative Society	853,925	852,975	369,523	1,278,335
E-00069	4003190	Al Dahr Co-operative Society	255,211	254,261	108,531	375,502
E-00070	4003191	Al-Sulaibiya Co-operative Society	683,141	682,191	373,054	1,290,352
E-00071	4003192	Al-Fintas Co-operative Society	462,681	461,731	263,372	911,322
E-00072	4003193	Al-Omareia & Rabia Co-operative Society	613,301	612,351	325,542	1,125,298
E-00073	4003194	Al-Shamali & Waris Co. W.L.L.	381,486	374,986	264,642	915,374
E-00074	4003195	Electrical Projects Co. Ksc	947,728	947,728	351,826	1,216,767
E-00075	4003196	Salem Bin Mohd. Al-Nisf Elect. Co. W.L.L.	1,498,221	1,332,585	432,283	1,495,789
E-00078	4003199	Kuwait Proteins Co. W.L.L.	943,787	943,787	389,590	1,347,794
E-00079	4003200	International Paper Products Manuf. Co.	352,118	326,036	230,630	795,504
E-00082	4003202	Kuwaiti Interests for Financial Investments Ksc	228,547	174,027	95,649	330,636
E-00083	4003203	Al Jazira Trading Co. W.L.L.	2,610,690	2,369,241	959,294	3,318,439

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UNSEQ claim No. */	UNCC claim No.	Claimant's name	Amount claimed (KD)	Net amount claimed (KD) **/	Amount recommended (KD)	Amount recommended (US$)
E-00084	4003084	Al Fatthi Supermarket Co.	30,018	25,050	6,781	23,464
E-00086	4003110	Arabian Cement Co. W.L.L.	1,203,995	995,408	202,487	700,647
E-00090	4003119	Al-Sharq Star Elect. & General Cont. Co. W.L.L.	1,978,772	1,797,063	1,044,460	3,612,841
E-00091	4003120	Rima Middle East Co.	854,021	773,787	641,744	2,219,240
E-00095	4003121	Al Waqar Trading Co. W.L.L.	54,707	48,680	28,966	100,228
E-00096	4003122	Abdullah & Taleb Khuraibet Trading Co. W.L.L.	85,101	75,149	11,236	38,774
E-00097	4003123	Ibrahim Abdullatif Al Essa & Sons General Trading & Contracting Co.	116,707	103,448	35,974	124,478
E-00099	4003125	Gulf Security Company	868,368	759,399	514,327	1,776,370
E-00100	4003126	Shuwaikh Cement Co.	12,602	10,990	9,118	31,550
E-00101	4003127	Dar Al-Watan for Press, Printing & Publication	1,319,091	1,188,950	785,353	2,716,934
E-00102	4003128	Tehama Real Estate Co. Ksc	128,667	128,367	78,569	271,151
E-00103	4003129	Badra Trading Company	192,144	188,144	75,234	260,202
E-00104	4003130	Food Distributors Company	12,931	11,931	8,253	28,557
E-00105	4003152	Faisal Al-Nisf & Sons General Trading Co.	274,388	274,388	56,755	196,384
E-00108	4003154	Samara Auto Supplies Co. Ltd.	752,410	749,410	385,032	1,332,200
E-00115	4003220	Sameerco Trading Company	1,836,788	1,648,108	835,496	2,890,118
E-00117	4003222	Hadram & Raheimi Co. for Electronic Appliances	99,158	92,232	45,189	156,203

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UNSEQ claim No. */	UNCC claim No.	Claimant's name	Amount claimed (KD)	Net amount claimed (KD) **/	Amount recommended (KD)	Amount recommended (US$)
E-00118	4003223	Form Arabia Furnishing Co. W.L.L.	42,533	42,361	25,178	87,121
E-00119	4003224	Alfa Trading Co.	9,975	9,975	4,505	15,588
E-00120	4003225	Central Stationery Co. W.L.L.	153,545	137,418	121,304	419,600
E-00121	4003281	The National Printing Co.	73,415	64,608	46,947	162,374
E-00123	4003283	Rifai and Jashanmal Company W.L.L.	991,091	985,591	577,736	1,998,885
E-00125	4003285	Al-Mulla Cleaning & Maint. Services Co.	1,170,182	1,108,985	130,394	451,190
E-00127	4003357	Yousef M. Al-Zawawi & Partners Jewellery Co.	22,746	22,746	11,137	38,536
E-00128	4003358	Al Qadissiah Co-operative Society	714,269	713,319	205,953	712,640
E-00129	4003359	Me & My Kids Garments Company	289,629	257,195	22,018	76,001
E-00131	4003360	Abdul Aziz Al-Ali Al-Wazzan Sons & Partners	1,699,672	1,530,089	115,534	399,639
E-00133	4003362	Kuwait Projects Company for Re-Construction	50,984	47,984	36,744	126,896
E-00135	4003287	Al-Dasmah & Bneid Al-Gar Co-op Society	674,093	673,143	218,858	756,775
E-00136	4003288	Abdul Hadi & Abdul Rahman Trd. Co. W.L.L.	1,222,419	1,023,994	956,098	3,308,298
E-00137	4003289	Crescent Commercial Co. W.L.L.	1,085,781	1,082,781	172,605	596,972
E-00139	4003291	Kuwait Transcontinental Shipping Co.	73,883	71,883	10,669	36,906
E-00140	4003292	Gulf Glass Manufacturing Co.	2,434,819	2,430,489	1,233,731	4,268,262
E-00141	4003293	The Rwag Exhibition for Furniture Company	118,243	116,243	50,058	172,981
E-00142	4003294	Agricultural Projects Co. Ksc	733,225	611,502	395,815	1,369,602

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UNSEQ claim No. */	UNCC claim No.	Claimant's name	Amount claimed (KD)	Net amount claimed (KD) **/	Amount recommended (KD)	Amount recommended (US$)
E-00143	4003295	Al-Nisif & Al-Fakhory for Elec. Tra. & Contr. Co.	215,755	214,255	149,006	515,570
E-00144	4003296	Al-Ghanim International	70,427	69,177	2,656	9,181
E-00145	4003297	Atlas Commercial Co. W.L.L.	1,716,024	1,494,196	992,378	3,432,306
E-00146	4003298	Computer & Communication Concepts Co.	172,208	170,458	83,510	288,834
E-00148	4003300	Boland & Gharabally Co.	1,212,962	1,073,012	350,283	1,211,518
E-00149	4003301	Dar Alyaqza Printing Press & Publication Co. W.L.L.	2,343,453	2,124,749	1,055,134	3,650,507
E-00150	4003302	Al Merooj Petroleum Supply Co. W.L.L.	453,183	410,114	324,849	1,124,045
E-00151	4003303	Gulf Mediterranean Co.	1,714,552	1,555,772	1,339,630	4,635,398
E-00152	4003269	Aber Albathaly for General Trading & Contracting Co.	147,246	130,777	49,116	169,853
E-00153	4000788	Al-Fardous Co-operative Society	989,391	988,441	466,386	1,286,080
E-00154	4003270	Moqaddim Imports Exports & Foodstuff Co. W.L.L.	362,022	327,541	5,728	19,757
E-00155	4003271	Al Feel Kuwaiti Co. for Import & Exports W.L.L.	221,046	199,283	22,838	78,774
E-00156	4003272	Agricultural Supplies & Equipment Co. W.L.L.	103,156	103,156	60,791	210,267
E-00157	4003273	Najoud Trd. Co. W.L.L.	55,058	48,271	17,885	61,876
E-00158	4003274	Almuttawa & Altaher Trading & Contracting Co. W.L.L.	212,659	180,179	29,367	101,616
E-00161	4003276	Hadidco General Trading W.L.L.	1,185,512	1,185,512	1,182,964	4,092,679

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UNSEQ claim No. */	UNCC claim No.	Claimant's name	Amount claimed (KD)	Net amount claimed (KD) **/	Amount recommended (KD)	Amount recommended (US$)
E-00162	4003277	Homoud Rafaa & his Son Commercial Co.	27,448	27,448	3,396	11,751
E-00165	4003279	Dar Al Anwar Electric Co. W.L.L. (Now Electrical Lights House Co. W.L.L.)	450,076	407,650	245,012	847,792
E-00166	4003280	Modern Buildg. Co. for Trd. & Contr. W.L.L.	1,281,711	1,164,256	792,796	2,741,379
E-00167	4003304	Al-Ghanim & Bodeiri Trading & Contracting Co.	135,527	133,657	44,708	154,570
E-00168	4003305	Dashti & Sayegh General Trading & Contracting Co.	1,489,821	1,348,133	749,154	2,343,529
E-00169	4003306	Alkhadra Sheets Co. W.L.L.	169,321	152,680	7,394	25,504
E-00170	4003307	Gulf & Bab Al-Mandb Trdg. Cont. Co.	304,408	275,306	228,248	789,402
E-00172	4003317	Al Rashid & Sultan Woolens Ltd. Co.	58,832	58,661	7,943	27,399
E-00173	4003318	Behbehani Jeep Motors Company	1,157,257	998,001	0	0
E-00174	4003319	Muneif & Ali Abdulaziz Al Khudhari Co.	1,027,291	1,027,291	571,360	1,975,245
E-00175	4003332	Gibson Trading Company W.L.L.	2,054,768	2,051,223	1,046,880	3,622,235
E-00176	4003333	Ali Alghanim Aldabous General Trading Co.	359,143	304,185	150,180	519,654
E-00177	4003334	Union of Consumer Co-operative Societies	609,729	608,779	321,665	1,113,028
E-00178	4003335	Kuwait Plaza Hotel Company	1,284,471	1,206,506	264,215	914,239
E-00179	4003336	The Elegant Family Company W.L.L.	107,074	97,616	44,359	153,474
E-00180	4003337	Shams Al Kuwait Trading & Construction Contracting Co.	158,820	136,512	98,907	342,239
E-00182	4003309	Shawal for Trading & Contracting Co. W.L.L.	63,274	55,610	27,616	95,530

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UNSEQ claim No. */	UNCC claim No.	Claimant's name	Amount claimed (KD)	Net amount claimed (KD) **/	Amount recommended (KD)	Amount recommended (US$)
E-00183	4003310	Abdullah Al-Naser Cont. Co.	206,236	206,236	42,865	148,236
E-00185	4003311	Al Farsi Fashions Company/ Hamad Al Farsi & Partners	71,099	70,099	47,830	165,502
E-00186	4003312	Salem Al-Marzouk & Sabah Abi-Hanna W.L.L.	866,455	791,836	260,948	901,493
E-00189	4003315	Al-Mejhem General Trading & Cont. Co. W.L.L.	289,003	288,515	14,918	51,619
E-00191	4003338	Firtek Transport Co.	320,950	320,950	220,940	764,498
E-00192	4003339	Barakat Showroom company W.L.L.	233,951	207,936	144,876	501,147
E-00193	4003340	Reebass Trading Group Co. W.L.L.	7,346	7,346	5,360	18,516
E-00194	4003341	Atlas Al-Arab Co. W.L.L.	782,106	703,017	458,777	1,587,419
E-00195	4003342	Abdulla Mishari Al-Kulaib Sons Co. W.L.L.	179,026	179,026	10,144	35,100
E-00196	4003343	Al Tiraz Al-Hadith Trd. Co.	71,980	71,230	23,318	80,685
E-00198	4003344	Qasem & Ahmed Hassan Ali Boland	508,249	466,413	26,324	91,058
		TOTALS	78,415,096	73,300,812	34,828,568	119,900,072

*/ The UNSEQ number is the provisional claim number assigned to each claim by PAAC.

**/ The "Net amount claimed" is the original amount claimed less amounts claimed for claim preparation costs and interest. The Panel has made no recommendation with regard to these items.

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: M/S. C. Purushottam Company W.L.L. & Musaad Bazzie Al Yassin Co. W.L.L.
UNCC claim number: 4003268
UNSEQ number: E-00003

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	9,764	9,764	Claim reclassified to loss of tangible property, stock and vehicles. No adjustments necessary to tangible property claim. See paragraphs 52 to 65 of the report.
Loss of stock	345,328	145,901	Claim adjusted for evidentiary shortcomings and obsolescence. See paragraphs 52 to 65 of the report.
Loss of vehicles	37,680	37,680	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of profits	17,256	12,942	Claim adjusted for windfall profits. See paragraphs 79 to 85 of the report.
Bad Debts	439,905	0	Insufficient evidence provided to substantiate claim. See paragraphs 86 to 92 of the report.
Other loss not categorized	82,704	0	Insufficient evidence provided to substantiate claim for interest paid by claimant on loans received from other persons.
TOTAL	932,637	206,287	

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Deera Trading Company W.L.L./Souad Mohammed Saoud Al-Buaijan & Sassil Said Jarjour
UNCC claim number: 4003071
UNSEQ number: E-00008

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	60,251	30,625	Original tangible property claim reclassified to loss of stock and cash. Letters of credit costs claim adjusted to nil for the same reasons as were stated in paragraph 224 of first "E4" report. Stock claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of vehicles	2,526	2,526	Claim awarded in full. See paragraphs 52 to 65 of the report.
TOTAL	62,777	33,151	

Claim preparation costs	2,300	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	10,619	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: International Company for Security and Safety W.L.L.
UNCC claim number: 4003072
UNSEQ number: E-00009

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	13,840	7,212	Claim reclassified to loss of tangible property and cash. Fixtures and equipment claim awarded in full. Insufficient evidence to substantiate staff uniforms claim. See paragraphs 52 to 65 of the report.
Loss of cash	3,600	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Loss of profits	3,665	1,649	Claim adjusted for evidentiary shortcomings and windfall profits. See paragraphs 79 to 85 of the report.
TOTAL	21,105	8,861	

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Yousef Textile Co./Yousef Hussain Al-Awadi & Partner/Partnership Co.
UNCC claim number: 4003073
UNSEQ number: E-00010

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	37,827	8,097	Original tangible property claim reclassified to loss of stock and cash. Claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of cash	1,200	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Loss of profits	34,317	15,443	Claim adjusted for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
TOTAL	73,344	23,540	

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Ibrahim & Mohammed Saoud Al-Farhan Trading Co.
UNCC claim number: 4003074
UNSEQ number: E-00011

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	2,315	1,852	Claim adjusted for maintenance. See paragraphs 44 to 51 of the report.
Loss of stock	6,611	3,867	Original tangible property claim reclassified to loss of stock and bad debts. Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of profits	21,794	15,221	Claim adjusted to historical results and for windfall profits. See paragraphs 79 to 85 of the report.
Bad debts	1,457	0	Insufficient evidence to substantiate claim. See paragraphs 86 to 92 of the report.
TOTAL	32,177	20,940	

Interest	6,605	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Fahad Hamoud Al Ali & Partner Company
UNCC claim number: 4003075
UNSEQ number: E-00012

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	13,053	4,635	Original tangible property claim reclassified to loss of stock, vehicles and other loss not categorized. Claim for loss of stock adjusted for lack of information on valuation basis, obsolescence and evidentiary shortcomings. Claim for goods in transit adjusted for obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of vehicles	400	250	Adjusted to M.V.V. Table values. See paragraphs 52 to 65 of the report.
Payment/relief to others	500	465	Adjusted for evidentiary shortcomings. See paragraphs 70 to 78 of the report.
Loss of profits	3,304	1,152	Claim adjusted to reflect historical results, windfall profits and evidentiary shortcomings. See paragraphs 79 to 85 of the report.
Other loss not categorized	1,400	230	Claim partially reclassified to claim preparation costs. Claim for stock storage and retrieval costs adjusted for evidentiary shortcomings.
TOTAL	18,657	6,732	

Claim preparation costs	350	n.a.	Governing Council's decision pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Abdul Hadi Real Estate Co./Ahmed Y. Abdul Hadi Al Mailem & Co.
UNCC claim number:	4003078
UNSEQ number:	E-00014

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of profits	40,736	0	Insufficient evidence to substantiate claim. See paragraphs 79 to 85 of the report.
TOTAL	40,736	0	

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Abdul Wahab Baqer & Sons Trading Company
UNCC claim number: 4003079
UNSEQ number: E-00015

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	10,915	8,732	Claim reclassified to loss of tangible property and stock. Claim adjusted for maintenance. See paragraphs 52 to 65 of the report.
Loss of stock	22,489	9,545	Claim adjusted for stock build-up, obsolescence, valuation basis and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of profits	11,595	445	Claim adjusted to reflect historical results, to restrict the claim to 12 months and for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
TOTAL	44,999	18,722	

Claim preparation costs	177	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	6,461	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Naser Abdul Wahab Al Qatami & Co.
UNCC claim number:	4003080
UNSEQ number:	E-00016

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	27,500	11,000	Claim adjusted for evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of cash	9,018	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Loss of profits	3,495	486	Claim adjusted to historical results, for windfall profits and evidentiary shortcomings. See paragraphs 79 to 85 of the report.
Bad debts	6,811	0	Insufficient evidence to substantiate claim. See paragraphs 86 to 92 of the report.
TOTAL	46,824	11,486	

Claim preparation costs	100	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	8,505	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Spring Day Dresses & Luxuries Co. W.L.L.
UNCC claim number: 4003081
UNSEQ number: E-00017

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	5,000	2,500	Original tangible property claim reclassified to loss of stock and vehicles. Original restart of business claim reclassified to loss of tangible property. Claim adjusted for depreciation. See paragraphs 52 to 65 of the report.
Loss of stock	125,807	82,424	Claim adjusted for obsolescence, stock build-up and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of vehicles	2,000	2,000	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of profits	5,458	4,093	Claim adjusted for windfall profits. See paragraphs 79 to 85 of the report.
TOTAL	138,265	91,017	

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Almas Readymade Clothes Company
UNCC claim number: 4003082
UNSEQ number: E-00018

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	465	372	Claim reclassified to loss of tangible property and stock. Claim adjusted for failure to repair/replace. See paragraphs 52 to 65 of the report.
Loss of stock	62,540	32,521	Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of profits	3,745	1,683	Claim adjusted for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
TOTAL	66,750	34,576	

Interest	12,755	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Qatami Shipping and Trading Co. W.L.L.
UNCC claim number: 4003083
UNSEQ number: E-00019

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of profits	4,525	2,036	Claim adjusted for evidentiary shortcomings and for windfall profits. See paragraphs 79 to 85 of the report.
Bad debts	27,140	0	Insufficient evidence to substantiate claim. See paragraphs 86 to 92 of the report.
TOTAL	31,665	2,036	

Claim preparation costs	125	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	5,762	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Atti & Yabroody Trading Co. / Hafiza Abdul Hafez Yagoub & Mohammed Borhan Yabroody W.L.L.
UNCC claim number: 4003059
UNSEQ number: E-00020

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	290,004	244,402	Original tangible property claim reclassified to loss of stock. Claim adjusted for obsolescence. See paragraphs 52 to 65 of the report.
Loss of profits	44,448	44,448	Claim awarded in full. See paragraphs 79 to 85 of the report.
TOTAL	334,452	288,850	

Claim preparation costs	1,938	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	62,289	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al-Jassar & Al-Nemer Trading Company
UNCC claim number: 4003060
UNSEQ number: E-00021

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of profits	49,491	18,135	Claim adjusted to restrict period of loss to 10 months and for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
TOTAL	49,491	18,135	

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	M/S. Golden Falcon Sanitary Ware Co., W.L.L.
UNCC claim number:	4003061
UNSEQ number:	E-00022

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	906	905	Claim reclassified to loss of tangible property, stock and vehicles. Claim adjusted for mathematical error.
Loss of stock	61,730	55,557	Claim adjusted for obsolescence. See paragraphs 52 to 65 of the report.
Loss of vehicles	3,561	3,561	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of profits	14,008	14,008	Claim awarded in full. See paragraphs 79 to 85 of the report.
TOTAL	80,205	74,031	

Claim preparation costs	600	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	18,414	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Sharkiya Pharmacy Company W.L.L.
UNCC claim number: 4003062
UNSEQ number: E-00023

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of cash	350	0	Original tangible property claim reclassified to loss of cash. Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Loss of profits	60,720	58,482	Claim adjusted to reflect historical results. See paragraphs 79 to 85 of the report.
Bad debts	889	0	Insufficient evidence to substantiate claim. See paragraphs 86 to 92 of the report.
Other loss not categorized	2,045	0	Insufficient evidence to substantiate claim for loss of deposits. In relation to claim for pre-paid expenses see paragraph 108 of the report.
TOTAL	64,004	58,482	

Claim preparation costs	1,500	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	9,407	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Heirs of Abdulla Mohd. Al-Rayes Estate Co.
UNCC claim number: 4003063
UNSEQ number: E-00024

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	16,000	12,800	Claim adjusted for maintenance. See paragraphs 44 to 51 of the report.
Loss of profits	184,350	0	Insufficient evidence to substantiate claim. See paragraphs 79 to 85 of the report.
TOTAL	200,350	12,800	

Interest	22,205	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: International Islamic Charitable Organization
UNCC claim number: 4003064
UNSEQ number: E-00025

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	18,250	12,410	Claim adjusted for maintenance and evidentiary shortcomings. See paragraphs 44 to 51 of the report.
Loss of profit	81,212	0	Insufficient evidence to substantiate claim. See paragraphs 79 to 85 of the report.
TOTAL	99,462	12,410	

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Terhab Trading & Cooling Company
UNCC claim number: 4003065
UNSEQ number: E-00026

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of profits	117,117	73,732	Claim adjusted to historical results, to restrict the period of loss to 10 months and for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
TOTAL	117,117	73,732	

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Nassar Al-Shuraian's Sons General Trading & Contracting Company
UNCC claim number:	4003087
UNSEQ number:	E-00027

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	9,009	7,207	Claim adjusted for maintenance. See paragraphs 44 to 51 of the report.
Loss of profits	134,890	64,827	Claim adjusted to reflect historical results and to restrict period of loss to 10 months. See paragraphs 79 to 85 of the report.
TOTAL	143,899	72,034	

Claim preparation costs	3,400	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	8,286	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Anwar Al-Medina Company for Export Import - Commission Agency
UNCC claim number: 4003088
UNSEQ number: E-00028

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of vehicles	5,900	2,292	Original tangible property claim reclassified to loss of vehicles. Claim adjusted to reflect M.V.V. Table values. See paragraphs 52 to 65 of the report.
TOTAL	5,900	2,292	

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Mohamed Bin Yousef Al-Nisf & Partners Co.
UNCC claim number: 4003089
UNSEQ number: E-00029

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	123,001	63,634	Original tangible property claim reclassified to loss of stock and profits. Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Payment or relief to others	6,500	0	See paragraphs 70 to 78 of the report.
Loss of profits	96,811	24,127	Original other loss not categorized claim reclassified to loss of profits. Claim adjusted to reflect historical results and for evidentiary shortcomings. See paragraph 79 to 85 of the report.
TOTAL	226,312	87,761	

Claim preparation costs	380	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	27,770	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Ahmadi Laundry & Dry Cleaning Plant, W.L.L.
UNCC claim number: 4003090
UNSEQ number: E-00030

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	2,050	1,128	Claim adjusted for failure to repair/replace and for evidentiary shortcomings. See paragraphs 44 to 51 of the report.
Loss of tangible property	34,098	33,369	Claim reclassified to tangible property, stock, cash, vehicles and other loss not categorized. Claim adjusted to Net Book Value and for depreciation. See paragraphs 52 to 65 of the report.
Loss of stock	26,409	13,803	Claim adjusted for stock build-up and for obsolescence. See paragraphs 52 to 65 of the report.
Loss of cash	354	354	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of vehicles	17,113	13,193	Stolen vehicles claim awarded in full. Damaged vehicles claim adjusted for maintenance, failure to repair/replace and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of profits	50,765	30,559	Original contracts claim reclassified to loss of profits. Claim adjusted to limit period of loss to 12 months, reflect historical results and for windfall profits. See paragraphs 79 to 85 of the report.
Restart of business	4,227	0	Insufficient evidence to substantiate claim for costs of returning staff. See paragraph 95 of the report.
TOTAL	135,016	92,406	
Claim preparation costs	6,062	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	17,765	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Ghloum Mohd. & Ahmed Morad Co.
UNCC claim number: 4003092
UNSEQ number: E-00032

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	206,990	87,453	Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of profits	24,544	18,408	Claim adjusted for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
TOTAL	231,534	105,861	

Claim preparation costs	990	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	24,311	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Sabrya Trd. & Cont. Co.
UNCC claim number: 4003093
UNSEQ number: E-00033

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of contracts	66,000	33,660	Original other loss not categorized claim reclassified to loss of contracts. See paragraphs 38 to 40 of the report.
Loss of real property	2,920	2,336	Claim adjusted for maintenance. See paragraphs 44 to 51 of the report.
Loss of tangible property	6,239	5,691	Claim reclassified to loss of tangible property and stock. Tangible property claim adjusted for depreciation. See paragraphs 52 to 65 of the report.
Loss of stock	181,427	106,174	Loss of stock claim adjusted for stock build-up. Goods in transit claim adjusted for evidentiary shortcomings and obsolescence. See paragraphs 52 to 65 of the report.
Loss of profits	58,635	34,614	Claim adjusted to reflect historical results and for windfall profits. See paragraphs 79 to 85 of the report.
TOTAL	315,221	182,475	

Claim preparation costs	1,930	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Eastern Farm Company of Poultry
UNCC claim number: 4003094
UNSEQ number: E-00036

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	9,174	3,978	Original loss of tangible property claim reclassified to loss of tangible property, stock and profits. Tangible property claim adjusted for depreciation, maintenance and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of stock	20,101	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Loss of profits	12,750	0	Insufficient evidence to substantiate claim. See paragraphs 79 to 85 of the report.
TOTAL	42,025	3,978	

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Kuwait Insecticides Company W.L.L.
UNCC claim number:	4003095
UNSEQ number:	E-00038

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	2,156	1,675	Claim reclassified to loss of tangible property, stock and vehicles. Tangible property claim adjusted for evidentiary shortcomings and depreciation. See paragraphs 52 to 65 of the report.
Loss of stock	2,987	1,478	Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of vehicles	6,042	6,042	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of profits	1,500	0	Claim adjusted to reflect historical results. See paragraphs 79 to 85 of the report.
TOTAL	12,685	9,195	

Claim preparation costs	1,684	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	1,831	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Bahbahani & Safa Textile Co./Limited Liability Co.
UNCC claim number: 4003096
UNSEQ number: E-00039

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	300,044	195,869	Original tangible property claim reclassified to loss of stock. Claim adjusted for stock build-up, obsolescence and to reflect historical cost of sales. See paragraphs 52 to 65 of the report.
Loss of profits	6,789	0	Claim adjusted to reflect historical results. See paragraphs 79 to 85 of the report.
Bad debts	20,475	0	Insufficient evidence to substantiate claim. See paragraphs 86 to 92 of the report.
Restart of business	5,036	0	Original other loss not categorised claim reclassified to restart of business. Claim for restart expenses adjusted to nil as not incremental to those normally incurred. See paragraph 93 of the report.
TOTAL	332,344	195,869	

Claim preparation costs	2,100	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Ali & Fouad M. T. Alghanim Trading & Contracting Company
UNCC claim number: 4003097
UNSEQ number: E-00040

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of contracts	120,289	16,354	Claim reclassified to loss of contracts and loss of income-producing property. Claim adjusted for evidentiary shortcomings. See paragraphs 31 to 43 of the report.
Loss of income-producing property	299,106	0	See paragraphs 66 to 69 of the report.
TOTAL	419,395	16,354	

Interest	86,151	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Kuwait Continental Hotel
UNCC claim number: 4003631
UNSEQ number: E-00518

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	34,239	24,143	Claim reclassified to loss of real property and tangible property. Real property claim adjusted for maintenance and failure to repair/replace. See paragraphs 44 to 51 of the report.
Loss of tangible property	187,028	81,156	Claim reclassified to loss of tangible property, stock, cash and bad debts. Tangible property claim adjusted for depreciation, maintenance, failure to repair/replace and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of stock	71,158	40,717	Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of cash	6,545	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Loss of profits	53,313	0	Claim adjusted to reflect historical results. See paragraphs 79 to 85 of the report.
Bad debts	2,601	0	Insufficient evidence to substantiate claim. See paragraphs 86 to 92 of the report.
TOTAL	354,884	146,016	

Interest	52,841	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Ghalab Faisal Auto Parts Company / Ghalab Ghalib Al-Mutari & Co. W.L.L.
UNCC claim number:	4003098
UNSEQ number:	E-00041

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	331,111	265,905	Original tangible property claim reclassified to loss of stock. Claim adjusted for stock build-up and obsolescence. See paragraphs 52 to 65 of the report.
Loss of profits	61,204	45,903	Claim adjusted for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
TOTAL	392,315	311,808	
Interest	37,249	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al Salam Trading & Contracting Group / Jasim Ibrahim Al Qattan & Partners Company
UNCC claim number:	4003099
UNSEQ number:	E-00042

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	12,043	9,635	Claim reclassified to loss of real property and profit. Real property claim adjusted for maintenance. See paragraphs 44 to 51 of the report.
Loss of tangible property	6,710	1,665	Claim reclassified to loss of tangible property, stock and vehicles. Tangible property claim adjusted for evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of stock	183,542	93,161	Claim adjusted for stock build-up, obsolescence and valuation basis. See paragraphs 52 to 65 of the report.
Loss of vehicles	2,800	1,750	Claim adjusted to M.V.V. Table values. See paragraphs 52 to 65 of the report.
Payment or relief to others	750	0	Claim reclassified to payment or relief to others and loss of profits. Insufficient evidence to substantiate claim for payment or relief to others. See paragraphs 70 to 78 of the report.
Loss of profits	191,931	67,632	Claim adjusted to restrict period of loss to 12 months and to reflect historical results. See paragraphs 79 to 85 of the report.
Bad debts	22,769	0	Original other loss not categorized claim reclassified to bad debts and loss of profits. Insufficient evidence to substantiate claim for receivables. See paragraphs 86 to 92 of the report.
TOTAL	420,545	173,843	

Claim preparation costs	8,754	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Sedra Electric & Electronic Equipments Co.
UNCC claim number: 4003100
UNSEQ number: E-00043

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	2,501	2,501	Claim reclassified to loss of tangible property, stock, cash and vehicles. Tangible property claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of stock	84,343	67,474	Claim adjusted for obsolescence. See paragraphs 52 to 65 of the report.
Loss of cash	1,697	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Loss of vehicles	4,000	4,000	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of profits	47,009	5,059	Claim adjusted to reflect historical results, to restrict period of loss to 7 months and for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
Bad debts	96,400	0	Insufficient evidence to substantiate claim. See paragraphs 86 to 92 of the report.
TOTAL	235,950	79,034	

Claim preparation costs	2,000	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	IBN Al Nafis Pharmacy Co.
UNCC claim number:	4003101
UNSEQ number:	E-00044

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of cash	300	0	Original tangible property claim reclassified to loss of cash. Insufficient evidence to substantiate cash claim. See paragraphs 52 to 65 of the report.
Loss of profits	19,910	14,932	Claim adjusted for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
Other loss not categorized	140	0	Insufficient evidence to substantiate claim for deposits.
TOTAL	20,350	14,932	

Claim preparation costs	1,250	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	2,938	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al-Massaleh Real Estate Company Ksc (Closed)
UNCC claim number: 4003102
UNSEQ number: E-00045

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	82,056	54,825	Claim adjusted for maintenance, evidentiary shortcomings and failure to repair/replace. See paragraphs 44 to 51 of the report.
Loss of profits	381,273	0	Insufficient evidence to substantiate claim. See paragraphs 79 to 85 of the report.
TOTAL	463,329	54,825	

Claim preparation costs	2,000	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	139,966	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al-Omar & Al-Qattan Co.
UNCC claim number: 4003103
UNSEQ number: E-00046

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	1,360	1,360	Claim reclassified to loss of tangible property, stock and cash. Tangible property claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of stock	13,630	9,814	Claim adjusted for evidentiary shortcomings and obsolescence. See paragraphs 52 to 65 of the report.
Loss of cash	760	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
TOTAL	15,750	11,174	

Interest	2,664	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Shuaiba Paper Co. Ksc
UNCC claim number:	4003173
UNSEQ number:	E-00051

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	36,184	19,385	Claim adjusted for maintenance and evidentiary shortcomings. See paragraphs 44 to 51 of the report.
Loss of tangible property	17,682	17,682	Claim reclassified to loss of tangible property, stock, cash and vehicles. Tangible property claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of stock	1,270,007	716,154	Claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of cash	2,216	2,216	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of vehicles	27,540	25,604	Claim adjusted for evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Payment or relief to others	43,308	9,497	Claim adjusted for evidentiary shortcomings. See paragraphs 70 to 78 of the report.
Loss of profits	411,905	164,858	Original other loss not categorized claim reclassified to loss of profits. Claim adjusted to reflect historical results and for windfall profits. See paragraphs 79 to 85 of the report.
TOTAL	1,808,842	955,396	

Claim preparation costs	5,075	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	120,766	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Honeywell Kuwait Ksc
UNCC claim number: 4003174
UNSEQ number: E-00052

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of contracts	588,203	0	Claim reclassified to loss of contracts and profits. Insufficient evidence to substantiate contracts claim. See paragraphs 31 to 43 of the report.
Loss of tangible property	29,540	23,633	Claim reclassified to loss of tangible property, stock and vehicles. Tangible property claim adjusted for evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of stock	66,176	34,000	Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of vehicles	10,707	9,864	Claim adjusted to M.V.V. Table values. See paragraphs 52 to 65 of the report.
Payment or relief to others	66,295	40,323	Claim partially reclassified to loss of profits. Payment or relief to others claim adjusted for evidentiary shortcomings. See paragraphs 70 to 78 of the report.
Loss of profits	399,483	55,672	Claim adjusted to reflect historical results, to restrict period of loss to 10 months and for windfall profits. See paragraphs 79 to 85 of the report.
TOTAL	1,160,404	163,492	

Interest	232,002	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Altco-Yousef Saleh Al-Alayan & Sons
UNCC claim number: 4003175
UNSEQ number: E-00053

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	1,213	970	Claim reclassified to loss of tangible property, stock and vehicles. Tangible property claim adjusted for failure to repair/replace. See paragraphs 52 to 65 of the report.
Loss of stock	440,979	171,731	Claim adjusted for stock build-up and obsolescence. See paragraphs 52 to 65 of the report.
Loss of vehicles	11,648	10,446	Claim adjusted for depreciation. See paragraphs 52 to 65 of the report.
Loss of profits	34,833	12,391	Payment or relief to others claim reclassified to loss of profits. Profits claim adjusted to reflect historical results, to restrict the period of loss to 12 months and for windfall profits. See paragraphs 79 to 85 of the report.
TOTAL	488,673	195,538	

Claim preparation costs	3,000	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	33,313	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: The Gulf Star Electronics Co.
UNCC claim number: 4003176
UNSEQ number: E-00054

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	2	2	Claim reclassified to loss of tangible property, stock and cash. Tangible property claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of stock	1,208,713	1,065,695	Stock claim adjusted for evidentiary shortcomings. Goods in transit claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of cash	6,915	6,915	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of profits	236,938	202,628	Claim adjusted to reflect historical results. See paragraphs 79 to 85 of the report.
Bad debts	359,769	0	Insufficient evidence provided to substantiate claim. See paragraphs 86 to 92 of the report.
TOTAL	1,812,337	1,275,240	

Interest	218,236	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Marafie Computer Systems Co.
UNCC claim number: 4003177
UNSEQ number: E-00055

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	1,472	1,472	Claim reclassified to loss of tangible property, stock and vehicles. Tangible property claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of stock	19,840	14,851	Claim adjusted for stock build-up and obsolescence. See paragraphs 52 to 65 of the report.
Loss of vehicles	1,777	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Other loss not categorized	5,616	0	Insufficient evidence to substantiate claim for watchman fees. For pre-paid expenses claim see paragraph 108 of the report.
TOTAL	28,705	16,323	

Claim preparation costs	753	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	3,591	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Ajmal Real Estate Company/Adel Yousef Boresly & Partners
UNCC claim number:	4003180
UNSEQ number:	E-00058

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of profits	39,072	16,920	Claim adjusted to reflect historical results, to restrict the period of loss to 10 months and for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
TOTAL	39,072	16,920	

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al Gahra Co-operative Society
UNCC claim number:	4003181
UNSEQ number:	E-00060

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	20,238	12,040	Claim reclassified to loss of tangible property, stock, vehicles and other loss not categorized. Tangible property claim adjusted for failure to repair/replace and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of stock	159,677	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Loss of vehicles	10,856	10,620	Claim adjusted to M.V.V. Table values. See paragraphs 52 to 65 of the report.
Payment or relief to others	91,125	0	Insufficient evidence to substantiate claim. See paragraphs 70 to 78 of the report.
Loss of profits	536,008	288,574	Claim adjusted to reflect historical results and for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
Other loss not categorized	1,351,403	872,901	Claim for cancelled Kuwaiti dinars awarded in full. Claim for Iraqi dinar losses adjusted. See paragraphs 98 to 109 of the report. For pre-paid expenses claim see paragraph 108 of the report.
TOTAL	2,169,307	1,184,135	

Claim preparation costs	950	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Salmiya Co-operative Society
UNCC claim number: 4003182
UNSEQ number: E-00061

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	35,000	28,000	Claim reclassified to loss of tangible property, stock and other loss not categorized. Tangible property claim adjusted for maintenance. See paragraphs 52 to 65 of the report.
Loss of stock	976,309	277,747	Claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Payment or relief to others	106,252	0	See paragraphs 70 to 78 of the report.
Loss of profits	166,605	74,972	Claim adjusted for evidentiary shortcomings and windfall profits. See paragraphs 79 to 85 of the report.
Other loss not categorized	227,793	165,660	Claim for cancelled Kuwaiti dinars awarded in full. Claim for Iraqi dinar losses adjusted. See paragraphs 98 to 109 of the report.
TOTAL	1,511,959	546,379	

Claim preparation costs	950	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al-Reqa Co-Operative Society
UNCC claim number: 4003183
UNSEQ number: E-00062

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	798,290	325,578	Original tangible property claim reclassified to stock, vehicles and other loss not categorized. Stock claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of vehicles	1,252	1,252	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of profits	185,147	133,999	Claim adjusted to reflect historical results and for windfall profits. See paragraphs 79 to 85 of the report.
Other loss not categorized	161,000	118,857	Claim for cancelled Kuwaiti dinars awarded in full. Claim for Iraqi dinar losses adjusted. See paragraphs 98 to 109 of the report. For pre-paid expenses claim see paragraph 108 of the report.
TOTAL	1,145,689	579,686	

Claim preparation costs	950	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al Rawdah Co-operative Society
UNCC claim number:	4003184
UNSEQ number:	E-00063

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	118,257	0	Original tangible property claim reclassified to loss of stock, vehicles and other loss not categorized. Stock claim adjusted for evidentiary shortcomings and inconsistencies. See paragraphs 52 to 65 of the report.
Loss of vehicles	2,918	2,563	Claim adjusted for evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Payment or relief to others	190,000	0	See paragraphs 70 to 78 of the report.
Loss of profits	217,225	147,721	Claim adjusted to reflect historical results and for windfall profits. See paragraphs 79 to 85 of the report.
Other loss not categorized	571,452	353,569	Insufficient evidence to substantiate cancelled Kuwaiti dinars claim. Claim for Iraqi dinar losses adjusted. See paragraphs 98 to 109 of the report.
TOTAL	1,099,852	503,853	

Claim preparation costs	950	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Ardiya Co-operative Society
UNCC claim number: 4003185
UNSEQ number: E-00064

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	63,121	36,659	Claim reclassified to loss of tangible property, stock, vehicles and profits. Claim adjusted for maintenance, evidentiary shortcomings and failure to repair/replace. See paragraphs 52 to 65 of the report.
Loss of stock	433,411	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Loss of vehicles	4,476	2,766	Claim adjusted to M.V.V. Table values. See paragraphs 52 to 65 of the report.
Payment or relief to others	53,039	0	See paragraphs 70 to 78 of the report.
Loss of profits	261,924	135,793	Claim adjusted to reflect historical results, to restrict the period of loss to 8 months and for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
Other loss not categorized	22,387	14,163	Claim reclassified to other loss not categorized and profits. Cancelled Kuwaiti dinars claim awarded in full. Claim for Iraqi dinar losses adjusted. See paragraphs 98 to 109 of the report.
TOTAL	838,358	189,381	

Claim preparation costs	950	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al-Daiyah Co-Operative Society
UNCC claim number: 4003186
UNSEQ number: E-00065

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	437	437	Original tangible property claim reclassified to loss of stock, vehicles and other loss not categorized. Original restart of business claim reclassified to loss of tangible property. Tangible property claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of stock	181,620	78,959	Claim adjusted for obsolescence, valuation basis and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of vehicles	3,000	2,500	Claim adjusted to M.V.V. Table values. See paragraphs 52 to 65 of the report.
Payment or relief to others	60,452	0	See paragraphs 70 to 78 of the report.
Loss of profits	101,690	76,267	Claim adjusted for windfall profits. See paragraphs 79 to 85 of the report.
Other loss not categorized	324,704	241,350	Claim for cancelled Kuwaiti dinars awarded in full. Claim for Iraqi dinar losses adjusted. See paragraphs 98 to 109 of the report.
TOTAL	671,903	399,513	

Claim preparation costs	950	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al-Sulaibikhat & Doha Co-Operative Society
UNCC claim number:	4003187
UNSEQ number:	E-00066

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	12,688	10,150	Claim reclassified to loss of tangible property, stock, vehicles and other loss not categorized. Tangible property claim adjusted for maintenance. See paragraphs 52 to 65 of the report.
Loss of stock	394,149	256,197	Claim adjusted for obsolescence. See paragraphs 52 to 65 of the report.
Loss of vehicles	4,400	3,800	Claim adjusted for evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of profits	218,348	210,342	Claim adjusted to reflect historical results. See paragraphs 79 to 85 of the report.
Other loss not categorized	16,331	11,379	Original restart of business claim reclassified to other loss not categorized. Claim for Kuwaiti dinars awarded in full. Claim for Iraqi dinar losses adjusted. See paragraphs 98 to 109 of the report. For pre-paid expenses claim see paragraph 108 of the report.
TOTAL	645,916	491,868	

Claim preparation costs	950	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Farwania Co-Operative Society
UNCC claim number:	4003188
UNSEQ number:	E-00067

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	29,473	20,041	Claim reclassified to loss of tangible property and other loss not categorized. Tangible property claim adjusted for maintenance and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Payment or relief to others	105,840	0	See paragraphs 70 to 78 of the report.
Loss of profits	187,972	137,194	Claim adjusted to reflect historical results and for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
Other loss not categorized	560,319	341,116	Claim for cancelled Kuwaiti dinars awarded in full. Claim for Iraqi dinar losses adjusted. See paragraphs 98 to 109 of the report. For pre-paid expenses claim of KD 7,099 see paragraph 108 of the report.
TOTAL	883,604	498,351	

Claim preparation costs	950	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Dahiat Abdullah Alsalem & Mansourieh Co-operative Society
UNCC claim number:	4003189
UNSEQ number:	E-00068

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	9,398	7,518	Claim reclassified to loss of tangible property, stock, vehicles and other loss not categorized. Tangible property claim adjusted for maintenance. See paragraphs 52 to 65 of the report.
Loss of stock	324,775	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Loss of vehicles	3,674	3,674	Claim awarded in full. See paragraphs 52 to 65 of the report.
Payment or relief to others	10,731	0	See paragraphs 70 to 78 of the report.
Loss of profits	108,308	81,231	Claim adjusted for windfall profits. See paragraphs 79 to 85 of the report.
Other loss not categorized	396,089	277,100	Original restart of business claim reclassified to other loss not categorized. Claim for cancelled Kuwaiti dinars awarded in full. Claim for Iraqi dinar losses adjusted. See paragraphs 98 to 109 of the report. For pre-paid expenses claim see paragraph 108 of the report.
TOTAL	852,975	369,523	

Claim preparation costs	950	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al Dahr Co-operative Society
UNCC claim number:	4003190
UNSEQ number:	E-00069

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	23,234	18,587	Claim adjusted for maintenance. See paragraphs 44 to 51 of the report.
Loss of stock	60,325	13,035	Original tangible property claim reclassified to loss of stock, vehicles and other loss not categorized. Stock claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of vehicles	914	914	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of profits	87,903	10,578	Claim adjusted to reflect historical results, to restrict period of loss to 10 months and for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
Restart of business	3,522	1,522	Claim reclassified to restart of business and real property. Restart of business claim adjusted to reflect incremental cost. See paragraphs 93 to 97 of the report.
Other loss not categorized	78,363	63,895	Claim for cancelled Kuwaiti dinars awarded in full. Claim for Iraqi dinar losses adjusted. See paragraphs 98 to 109 of the report.
TOTAL	254,261	108,531	

Claim preparation costs	950	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al-Sulaibiya Co-Operative Society
UNCC claim number: 4003191
UNSEQ number: E-00070

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	86,180	60,965	Claim reclassified to loss of tangible property, stock and other loss not categorized. Original restart of business claim reclassified to loss of tangible property and other loss not categorized. Equipment claim adjusted for depreciation and evidentiary shortcomings. Equipment repair claim adjusted for maintenance and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of stock	417,372	236,214	Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of profits	124,357	45,022	Claim adjusted to reflect historical results and for windfall profits. See paragraphs 79 to 85 of the report.
Other loss not categorized	54,282	30,853	Insufficient evidence to substantiate claim for cancelled Kuwaiti dinars. Claim for Iraqi dinar losses adjusted. See paragraphs 98 to 109 of the report.
TOTAL	682,191	373,054	

Claim preparation costs	950	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al-Fintas Co-operative Society
UNCC claim number:	4003192
UNSEQ number:	E-00071

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	9,443	7,554	Original restart of business claim reclassified to loss of tangible property. Tangible property claim adjusted for maintenance. See paragraphs 52 to 65 of the report.
Loss of stock	337,857	186,666	Original tangible property claim reclassified to loss of stock and other loss not categorized. Stock claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of profits	110,888	66,284	Claim adjusted to reflect historical results and to restrict period of loss to 8 months. See paragraphs 79 to 85 of the report.
Other loss not categorized	3,543	2,868	Cancelled Kuwaiti dinars claim awarded in full. Claim for Iraqi dinar losses adjusted. See paragraphs 98 to 109 of the report.
TOTAL	461,731	263,372	

Claim preparation costs	950	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al-Omareia & Rabia Co-operative Society
UNCC claim number: 4003193
UNSEQ number: E-00072

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	26,014	23,729	Claim reclassified to loss of tangible property and other loss not categorized. Original restart of business claim reclassified to loss of tangible property. Tangible property claim adjusted for for maintenance. See paragraphs 52 to 65 of the report.
Payment or relief to others	208,128	0	See paragraphs 70 to 78 of the report.
Loss of profits	131,820	131,820	Claim awarded in full. See paragraphs 79 to 85 of the report.
Other loss not categorized	246,389	169,993	Cancelled Kuwaiti dinars claim awarded in full. Loss due to Iraqi dinars adjusted. See paragraphs 98 to 109 of the report.
TOTAL	612,351	325,542	

Claim preparation costs	950	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al-Shamali & Waris Co. W.L.L.
UNCC claim number: 4003194
UNSEQ number: E-00073

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	295,144	217,477	Original tangible property claim reclassified to loss of stock and cash. Stock claim adjusted for stock build-up and obsolescence. Goods in transit claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of cash	7,759	7,759	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of profits	52,542	39,406	Claim adjusted for windfall profits. See paragraphs 79 to 85 of the report.
Bad debts	19,541	0	Insufficient evidence to substantiate claim. See paragraphs 86 to 92 of the report.
TOTAL	374,986	264,642	

Claim preparation costs	6,500	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Electrical Projects Co. Ksc
UNCC claim number:	4003195
UNSEQ number:	E-00074

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	44,226	21,057	Claim adjusted for maintenance, evidentiary shortcomings and failure to repair/replace. See paragraphs 44 to 51 of the report.
Loss of tangible property	66,147	16,084	Claim reclassified to loss of tangible property, stock and vehicles. Tangible property claim adjusted for depreciation, failure to repair/replace and for evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of stock	422,769	252,762	Stock claim adjusted for stock build-up and obsolescence. Goods in transit claim adjusted for evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of vehicles	7,978	4,898	Claim adjusted for depreciation and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of profits	406,608	57,025	Claim adjusted to reflect historical results and to restrict the period of loss to 12 months. See paragraphs 79 to 85 of the report.
TOTAL	947,728	351,826	

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Salem Bin Mohd. Al-Nisf Elect. Co. W.L.L.
UNCC claim number:	4003196
UNSEQ number:	E-00075

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	71,360	17,840	Claim reclassified to loss of tangible property, stock, vehicles and other loss not categorized. Claim adjusted for evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of stock	731,305	217,460	Stock claim adjusted to reflect historical cost of sales. Goods in transit claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of vehicles	10,700	9,350	Adjusted to M.V.V. Table values. See paragraphs 52 to 65 of the report.
Loss of profits	277,768	185,638	Adjusted to reflect historical results and for windfall profits. See paragraphs 79 to 85 of the report.
Bad debts	231,928	0	Insufficient evidence to substantiate claim. See paragraphs 86 to 92 of the report.
Other loss not categorized	9,524	1,995	For pre-paid expenses claim of KD 7,529 see paragraph 108 of the report. Claim for stock item awarded in full.
TOTAL	1,332,585	432,283	

Claim preparation costs	2,133	n.a.	Governing Council's determination pending. See paragraphs 111 of the report.
Interest	163,503	n.a.	Governing Council's determination pending. See paragraphs 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Kuwait Proteins Co. W.L.L.
UNCC claim number: 4003199
UNSEQ number: E-00078

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	861,801	336,966	Original tangible property claim reclassified to loss of stock and vehicles. Stock claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. Goods in transit claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of vehicles	21,706	21,706	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of profits	60,280	30,918	Claim adjusted to reflect historical results and for windfall profits. See paragraphs 79 to 85 of the report.
TOTAL	943,787	389,590	

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: International Paper Products Manuf. Co.
UNCC claim number: 4003200
UNSEQ number: E-00079

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of profits	326,036	230,630	Claim adjusted to restrict period of loss to 12 months and to reflect historical results. See paragraphs 79 to 85 of the report.
TOTAL	326,036	230,630	

Interest	26,082	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Kuwaiti Interests for Financial Investments Ksc
UNCC claim number: 4003202
UNSEQ number: E-00082

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	3,835	3,835	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of profits	122,419	91,814	Original business transaction claim reclassified to loss of profits. Loss of profits claim adjusted for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
Bad debts	47,773	0	Original contracts claim reclassified to bad debts. Insufficient evidence to substantiate claim. See paragraphs 86 to 92 of the report.
TOTAL	174,027	95,649	

Claim preparation costs	2,000	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	52,520	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Jazira Trading Co. W.L.L.
UNCC claim number: 4003203
UNSEQ number: E-00083

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	29,000	23,200	Claim adjusted for maintenance. See paragraphs 44 to 51 of the report.
Loss of tangible property	23,815	23,008	Claim adjusted for depreciation and failure to repair/replace. See paragraphs 52 to 65 of the report.
Loss of stock	1,868,479	625,741	Stock claim adjusted for stock build-up, overstocking, obsolescence, and evidentiary shortcomings. Goods in transit claim adjusted for evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of vehicles	5,091	3,500	Claim adjusted to M.V.V. Table values. See paragraphs 52 to 65 of the report.
Loss of profits	232,624	83,845	Claim adjusted to reflect historical results and for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
Bad debts	200,000	200,000	Claim awarded in full. See paragraphs 86 to 92 of the report.
Other loss not categorized	10,232	0	Insufficient evidence to substantiate claim for loss on goods sold by third party.
TOTAL	2,369,241	959,294	

Claim preparation costs	6,500	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	234,949	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Fattih Supermarket Co.
UNCC claim number: 4003084
UNSEO number: E-00084

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	6,840	3,139	Claim reclassified to loss of tangible property and stock. Tangible property claim adjusted for evidentiary shortcomings and depreciation. See paragraphs 52 to 65 of the report.
Loss of stock	18,210	3,642	Claim adjusted for obsolescence, evidentiary shortcomings, and valuation basis. See paragraphs 52 to 65 of the report.
TOTAL	25,050	6,781	

Interest	4,968	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Arabian Cement Co. W.L.L.
UNCC claim number: 4003110
UNSEQ number: E-00086

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	91,425	58,643	Original income-producing property claim reclassified to loss of tangible property, stock, vehicles, profits and bad debts. Tangible property claim adjusted for evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of stock	16,669	2,034	Claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of vehicles	112,547	112,547	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of profits	421,714	29,263	Claim adjusted to reflect historical results and for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
Bad debts	353,053	0	Insufficient evidence to substantiate claim. See paragraphs 86 to 92 of the report.
TOTAL	995,408	202,487	

Claim preparation costs	3,413	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	205,174	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al-Sharq Star Elect. & General Cont. Co. W.L.L.
UNCC claim number: 4003119
UNSEQ number: E-00090

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	6,627	6,627	Claim reclassified to loss of tangible property, stock and vehicles. Tangible property claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of stock	1,660,768	926,260	Stock claim adjusted for stock build-up and obsolescence. Goods in transit claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of vehicles	1,200	1,200	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of profits	128,468	110,373	Claim adjusted to reflect historical results. See paragraphs 79 to 85 of the report.
TOTAL	1,797,063	1,044,460	

Claim preparation costs	3,500	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	178,209	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Rima Middle East Co.
UNCC claim number: 4003120
UNSEQ number: E-00091

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	14,669	13,669	Claim reclassified to loss of tangible property and stock. Tangible property claim adjusted for maintenance. See paragraphs 52 to 65 of the report.
Loss of stock	563,000	506,700	Claim adjusted for obsolescence. See paragraphs 52 to 65 of the report.
Loss of profits	196,118	121,375	Claim adjusted to reflect historical results and evidentiary shortcomings. See paragraphs 79 to 85 of the report.
TOTAL	773,787	641,744	

Claim preparation costs	3,500	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	76,734	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Waqar Trading Co. W.L.L.
UNCC claim number: 4003121
UNSEQ number: E-00095

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	42,550	27,232	Original tangible property claim reclassified to loss of stock. Claim adjusted for obsolescence and for evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of profits	6,130	1,734	Claim adjusted to reflect historical results and to restrict period of loss to seven months. See paragraphs 79 to 85 of the report.
TOTAL	48,680	28,966	

Claim preparation costs	1,200	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	4,827	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Abdullah & Taleb Khuraibet Trading Co. W.L.L.
UNCC claim number:	4003122
UNSEQ number:	E-00096

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	44,560	0	Original tangible property claim reclassified to loss of stock and vehicles. Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Loss of vehicles	2,500	1,611	Claim adjusted to M.V.V. Table values. See paragraphs 52 to 65 of the report.
Loss of profits	28,089	9,625	Claim adjusted to reflect historical results and for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
TOTAL	75,149	11,236	

Claim preparation costs	2,500	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	7,452	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Ibrahim Abdullatif Al Essa & Sons General Trading & Contracting Co.
UNCC claim number:	4003123
UNSEQ number:	E-00097

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	88,297	35,974	Original tangible property claim reclassified to loss of stock. Claim adjusted for stock build-up and obsolescence. See paragraphs 52 to 65 of the report.
Loss of profits	15,151	0	Claim adjusted to reflect historical results. See paragraphs 79 to 85 of the report.
TOTAL	103,448	35,974	

Claim preparation costs	3,000	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	10,259	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Gulf Security Company
UNCC claim number: 4003125
UNSEQ number: E-00099

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	173,056	92,457	Claim reclassified to loss of tangible property and vehicles. Tangible property claim adjusted for depreciation, failure to repair/replace, betterment and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of vehicles	198,946	119,467	Original restart of business claim reclassified to loss of vehicles. Claim adjusted to M.V.V. Table values, for evidentiary shortcomings and depreciation. See paragraphs 52 to 65 of the report.
Loss of profits	387,397	302,403	Original payment or relief to others and contracts claim reclassified to loss of profits. Claim adjusted to reflect historical results. See paragraphs 79 to 85 of the report.
TOTAL	759,399	514,327	

Claim preparation costs	7,050	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	101,919	n.a.	Governing Council's determination pending. See paragraphs 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Shuwaikh Cement Co.
UNCC claim number:	4003126
UNSEQ number:	E-00100

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	8,965	7,093	Original tangible property claim adjusted to loss of stock and vehicles. Stock claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of vehicles	2,025	2,025	Claim awarded in full. See paragraphs 52 to 65 of the report.
TOTAL	10,990	9,118	

Claim preparation costs	90	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	1,522	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Dar Al-Watan for Press, Printing & Publication
UNCC claim number: 4003127
UNSEQ number: E-00101

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	166,094	114,720	Claim adjusted for maintenance and evidentiary shortcomings. See paragraphs 44 to 51 of the report.
Loss of tangible property	78,446	78,446	Claim reclassified to loss of tangible property, stock and vehicles. Tangible property claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of stock	564,402	429,362	Claim adjusted for stock build-up and obsolescence. See paragraphs 52 to 65 of the report.
Loss of vehicles	9,540	9,540	Claim awarded in full. See paragraphs 52 to 65 of the report.
Payment or relief to others	77,076	0	Insufficient evidence to substantiate claim. See paragraphs 70 to 78 of the report.
Loss of profits	293,392	153,285	Claim adjusted to restrict period of loss to 10 months and for windfall profits. See paragraphs 79 to 85 of the report.
TOTAL	1,188,950	785,353	

Claim preparation costs	8,000	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	122,141	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Tehama Real Estate Co. Ksc
UNCC claim number: 4003128
UNSEQ number: E-00102

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	16,661	13,329	Claim adjusted for maintenance. See paragraphs 44 to 51 of the report.
Loss of profits	111,706	65,240	Claim adjusted to reflect historical results and to restrict the period of loss to 12 months. See paragraphs 79 to 85 of the report.
TOTAL	128,367	78,569	

Claim preparation costs	300	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Badra Trading Company
UNCC claim number: 4003129
UNSEQ number: E-00103

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	80,000	64,000	Claim adjusted for maintenance. See paragraphs 44 to 51 of the report.
Loss of profits	108,144	11,234	Original contracts claim reclassified to loss of profits. Claim adjusted to reflect historical results and for windfall profits. See paragraphs 79 to 85 of the report.
TOTAL	188,144	75,234	

Claim preparation costs	4,000	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Food Distributors Company
UNCC claim number: 4003130
UNSEQ number: E-00104

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	8,068	5,852	Claim reclassified to loss of tangible property and vehicles. Claim adjusted for depreciation and for evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of vehicles	3,863	2,401	Claim adjusted to M.V.V. Table values and for depreciation. See paragraphs 52 to 65 of the report.
TOTAL	11,931	8,253	

Claim preparation costs	1,000	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Faisal Al-Nisf & Sons General Trading Co.
UNCC claim number: 4003152
UNSEQ number: E-00105

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	274,388	56,755	Original tangible property claim reclassified to loss of stock. Claim adjusted for overstocking and obsolescence. See paragraphs 52 to 65 of the report.
TOTAL	274,388	56,755	

Annex II

Recommended awards for second instalment of "E4" claims
Reported by claimant name and category of loss

Claimant's name: Samara Auto Supplies Ltd.
UNCC claim number: 4003154
UNSEQ number: E-00108

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	28,878	21,569	Claim reclassified to loss of tangible property, stock and vehicles. Tangible property claim adjusted for depreciation, evidentiary shortcomings and maintenance. See paragraphs 52 to 65 of the report.
Loss of stock	441,103	326,559	Stock and goods in transit claims adjusted for evidentiary shortcomings and obsolescence. See paragraphs 52 to 65 of the report.
Loss of vehicles	12,400	11,550	Claim adjusted to M.V.V. Table values. See paragraphs 52 to 65 of the report.
Loss of profits	79,581	25,354	Claim adjusted to reflect historical results, seasonality and windfall profits. See paragraphs 79 to 85 of the report.
Bad debts	187,448	0	Insufficient evidence provided to substantiate claim. See paragraphs 86 to 92 of the report.
TOTAL	749,410	385,032	

Claim preparation costs	3,000	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

aimant's name: Sameerco Trading Company
CC claim number: 4003220
SEO number: E-00115

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
oss of tangible roperty	48,470	37,363	Claim reclassified to loss of tangible property and stock. Tangible property claim adjusted for depreciation, failure to repair/replace and for maintenance. See paragraphs 52 to 65 of the report.
oss of stock	1,498,514	718,426	Claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
oss of profits	88,283	79,707	Claim adjusted to reflect historical results. See paragraphs 79 to 85 of the report.
ther loss not ategorized	12,841	0	See paragraph 108 of the report.
OTAL	1,648,108	835,496	

laim preparation osts	1,895	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
nterest	186,785	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Hadram & Raheimi Company for Electronic and Electrical Appliances
UNCC claim number: 4003222
UNSEQ number: E-00117

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	69,357	30,540	Original tangible property claim reclassified to loss of stock. Claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of profits	22,875	14,649	Claim adjusted to reflect historical results and restrict period of loss to 12 months. See paragraphs 79 to 85 of the report.
TOTAL	92,232	45,189	

Claim preparation costs	203	n.a.	Governing Council's determination pending. See paragraphs 111 of the report.
Interest	6,723	n.a.	Governing Council's determination pending. See paragraphs 110 of the report.

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Form Arabia Furnishing Co. W.L.L.
UNCC claim number: 4003223
UNSEQ number: E-00118

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	1,494	162	Original other loss not categorized claim reclassified to loss of real property, cash and vehicles. Real property claim adjusted for evidentiary shortcomings. See paragraphs 44 to 51 of the report.
Loss of tangible property	19,885	13,840	Claim reclassified to loss of tangible property and stock. Tangible property claim adjusted for evidentiary shortcomings, depreciation and failure to repair/replace. See paragraphs 52 to 65 of the report.
Loss of stock	20,429	10,623	Claim adjusted for evidentiary shortcomings and obsolescence. See paragraphs 52 to 65 of the report.
Loss of cash	443	443	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of vehicles	110	110	Claim awarded in full. See paragraphs 52 to 65 of the report.
TOTAL	42,361	25,178	

Claim preparation costs	172	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Alfa Trading Co.
UNCC claim number:	4003224
UNSEQ number:	E-00119

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	241	216	Claim reclassified to loss of tangible property and stock. Claim adjusted for depreciation. See paragraphs 52 to 65 of the report.
Loss of stock	5,572	2,975	Claim adjusted for evidentiary shortcomings and obsolescence. See paragraphs 52 to 65 of the report.
Loss of profits	2,462	1,314	Original payment or relief to others claim reclassified to loss of profits and other loss not categorized. Claim adjusted to restrict period of loss to seven months, to reflect historical results and for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
Other loss not categorized	1,700	0	See paragraph 108 of the report.
TOTAL	9,975	4,505	

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Central Stationery Co. W.L.L.
UNCC claim number: 4003225
UNSEQ number: E-00120

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	120,000	108,000	Original tangible property claim reclassified to loss of stock and vehicles. Stock claim adjusted for obsolescence. See paragraphs 52 to 65 of the report.
Loss of vehicles	800	800	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of profits	16,618	12,504	Claim adjusted to reflect historical results. See paragraphs 79 to 85 of the report.
TOTAL	137,418	121,304	

Claim preparation costs	2,500	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	13,627	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: The National Printing Co.
UNCC claim number: 4003281
UNSEQ number: E-00121

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	50,978	40,292	Original tangible property claim reclassified to loss of stock. Stock claim adjusted for obsolescence. Goods in transit claim adjusted for evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of profits	13,630	6,655	Claim adjusted to reflect historical results and for windfall profits. See paragraphs 79 to 85 of the report.
TOTAL	64,608	46,947	

Claim preparation costs	2,400	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	6,407	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Rifai and Jashanmal Company W.L.L.
UNCC claim number: 4003283
UNSEQ number: E-00123

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	23,589	18,745	Claim reclassified to loss of tangible property, stock, cash and vehicles. Tangible property claim adjusted for failure to repair/replace and for evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of stock	582,757	500,681	Claim adjusted for stock build-up and obsolescence. See paragraphs 52 to 65 of the report.
Loss of cash	4,595	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Loss of vehicles	2,700	2,150	Claim adjusted to M.V.V. Table values. See paragraphs 52 to 65 of the report.
Loss of profits	131,177	56,160	Claim adjusted to reflect historical results and for windfall profits. See paragraphs 79 to 85 of the report.
Bad debts	240,773	0	Insufficient evidence to substantiate claim. See paragraphs 86 to 92 of the report.
TOTAL	985,591	577,736	

Claim preparation costs	5,500	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al-Mulla Cleaning & Main. Services Co.
UNCC claim number:	4003285
UNSEQ number:	E-00125

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	66,044	52,836	Claim reclassified to loss of tangible property and stock. Tangible property claim adjusted for failure to repair/replace and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of stock	58,369	44,652	Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of cash	1,500	1,500	Claim awarded in full. See paragraphs 52 to 65 of the report.
Bad debts	895,617	0	Insufficient evidence to substantiate claim. See paragraphs 86 to 92 of the report.
Other loss not categorized	87,455	31,406	Claim reclassified to cash, claim preparation, bad debts and other loss not categorized. Claim for custom deposit losses adjusted for reasons stated in paragraphs 103 to 104 of the report. See paragraph 108 of the report for pre-paid expenses claim. Insufficient evidence to substantiate claim for transit equipment.
TOTAL	1,108,985	130,394	

Claim preparation costs	747	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	60,450	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Yousef M. Al-Zawawi & Partners Jewellery Co.
UNCC claim number: 4003357
UNSEQ number: E-00127

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of profits	22,746	11,137	Claim adjusted to reflect historical results and to restrict the period of loss to seven months. See paragraphs 79 to 85 of the report.
TOTAL	22,746	11,137	

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al Qadissiah Co-operative Society
UNCC claim number:	4003358
UNSEQ number:	E-00128

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	23,183	20,265	Claim reclassified to loss of tangible property, stock and other loss not categorized. Tangible property claim adjusted for maintenance. See paragraphs 52 to 65 of the report.
Loss of stock	283,170	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Payment or relief to others	82,838	0	See paragraphs 70 to 78 of the report.
Loss of profits	174,574	78,558	Claim adjusted for evidentiary shortcomings and windfall profits. See paragraphs 79 to 85 of the report.
Other loss not categorized	149,554	107,130	Original restart of business claim reclassified to other loss not categorized. Claim for cancelled Kuwaiti dinars awarded in full. Claim for Iraqi dinar losses adjusted. See paragraphs 98 to 109 of the report.
TOTAL	713,319	205,953	

Claim preparation costs	950	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Me & My Kids Garments Co.
UNCC claim number:	4003359
UNSEQ number:	E-00129

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	2,658	670	Claim reclassified to loss of tangible property and stock. Claim adjusted for depreciation and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of stock	204,299	0	Insufficient evidence to substantiate claim and valuation basis. See paragraphs 52 to 65 of the report.
Loss of profits	47,440	21,348	Claim adjusted for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
Bad debts	2,798	0	Insufficient evidence to substantiate claim. See paragraphs 86 to 92 of the report.
TOTAL	257,195	22,018	

Claim preparation costs	3,500	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	28,934	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Abdul Aziz Al-Ali Al-Wazzan Sons & Partners
UNCC claim number:	4003360
UNSEQ number:	E-00131

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	170,696	78,701	Claim adjusted for depreciation, maintenance and evidentiary shortcomings. See paragraphs 44 to 51 of the report.
Loss of profits	1,199,429	36,833	Claim adjusted to reflect historical results and for windfall profits. See paragraphs 79 to 85 of the report.
Bad debts	159,964	0	Insufficient evidence to substantiate claim. See paragraphs 86 to 92 of the report.
TOTAL	1,530,089	115,534	

Interest	169,583	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Kuwait Projects Company for Re-Construction
UNCC claim number:	4003362
UNSEO number:	E-00133

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	12,760	8,166	Adjusted for maintenance and failure to repair/replace. See paragraphs 44 to 51 of the report.
Loss of tangible property	296	237	Adjusted for failure to repair/replace. See paragraphs 52 to 65 of the report.
Loss of profits	34,928	28,341	Payment or relief to others and other losses not categorized reclassified to loss of profits. Adjusted for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
TOTAL	47,984	36,744	

Claim preparation costs	3,000	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al-Dasmah & Bneid Al-Gar Co-Op Society
UNCC claim number:	4003287
UNSEQ number:	E-00135

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	9,036	6,643	Claim reclassified to loss of tangible property, stock and other loss not categorized. Tangible property claim adjusted for depreciation and maintenance. See paragraphs 52 to 65 of the report.
Loss of stock	279,134	117,934	Claim adjusted for obsolescence, evidentiary shortcomings and valuation basis. See paragraphs 52 to 65 of the report.
Payment or relief to others	89,871	0	See paragraphs 70 to 78 of the report.
Loss of profit	93,846	59,820	Claim adjusted to reflect historical results, evidentiary shortcomings and windfall profits. See paragraphs 79 to 85 of the report.
Other loss not categorized	201,256	34,461	Original restart of business claim reclassified to other loss not categorized. Insufficient evidence to substantiate claim for cancelled Kuwaiti dinars. Claim for Iraqi dinars adjusted. See paragraphs 98 to 109 of the report.
TOTAL	673,143	218,858	

Claim preparation costs	950	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Abdul Hadi & Abdul Rahman Trd. Co. W.L.L.
UNCC claim number: 4003288
UNSEQ number: E-00136

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	1,022,994	955,098	Original tangible property claim reclassified to loss of stock and vehicles. Stock claim adjusted for stock build-up and obsolescence. See paragraphs 52 to 65 of the report.
Loss of vehicles	1,000	1,000	Claim awarded in full. See paragraphs 52 to 65 of the report.
TOTAL	1,023,994	956,098	

Claim preparation costs	500	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	197,925	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Crescent Commercial Co. W.L.L.
UNCC claim number:	4003289
UNSEQ number:	E-00137

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	883	670	Claim reclassified to loss of tangible property, stock, vehicles and other loss not categorized. Tangible property claim adjusted to net book value and for depreciation. See paragraphs 52 to 65 of the report.
Loss of stock	342,473	137,844	Stock claim adjusted for stock build-up and obsolescence. Goods in transit claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of vehicles	2,200	2,200	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of profits	76,349	31,891	Claim adjusted to reflect historical results and for windfall profits. See paragraphs 79 to 85 of the report.
Bad debts	273,409	0	Insufficient evidence to substantiate claim. See paragraphs 86 to 92 of the report.
Other loss not categorized	387,467	0	Insufficient evidence to substantiate claim. See paragraphs 98 to 109 of the report.
TOTAL	1,082,781	172,605	

Claim preparation costs	3,000	n.a.	Governing Council's determination pending. See paragraphs 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Kuwait Transcontinental Shipping Co.
UNCC claim number:	4003291
UNSEQ number:	E-00139

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	3,103	2,479	Claim reclassified to loss of tangible property and vehicles. Claim adjusted for evidentiary shortcomings and depreciation. See paragraphs 52 to 65 of the report.
Loss of vehicles	4,100	4,100	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of profits	46,407	4,090	Original payment or relief to others claim reclassified to loss of profits and restart of business. Claim adjusted to reflect historical results and for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
Restart of business	18,273	0	Insufficient evidence to substantiate claim. See paragraphs 93 to 97 of the report.
TOTAL	71,883	10,669	

Claim preparation costs	2,000	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Gulf Glass Manufacturing Co.
UNCC claim number: 4003292
UNSEQ number: E-00140

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	28,720	14,360	Restart of business claim partially reclassified to loss of real property. Claim adjusted for depreciation. See paragraphs 44 to 51 of the report.
Loss of tangible property	256,776	248,353	Claim reclassified to loss of tangible property, stock and vehicles. Office furniture claim adjusted for depreciation. All other tangible property items awarded in full. See paragraphs 52 to 65 of the report.
Loss of stock	1,191,695	734,577	Claim adjusted for stock build-up, evidentiary shortcomings and obsolescence. See paragraphs 52 to 65 of the report.
Loss of cash	1,750	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Loss of vehicles	23,929	23,579	Claim adjusted to M.V.V. Table values. See paragraphs 52 to 65 of the report.
Payment or relief to others	1,484	0	Claim reclassified to payment or relief to others, restart of business and loss of profit. Insufficient evidence to substantiate payment or relief claim. See paragraphs 70 to 78 of the report.
Loss of profits	773,269	186,290	Claim adjusted to reflect historical results, to restrict loss to 19 months and for windfall profits. See paragraphs 79 to 85 of the report.
Restart of business	131,441	26,572	Claim adjusted for evidentiary shortcomings. See paragraphs 93 to 97 of the report.
Other loss not categorized	21,425	0	See paragraph 108 of the report.
TOTAL	2,430,489	1,233,731	

Claim preparation costs	4,330	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: The Rwag Exhibition for Furniture Company
UNCC claim number: 4003293
UNSEQ number: E-00141

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	69,406	29,009	Original tangible property claim reclassified to loss of stock and profits. Stock claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of profits	46,837	21,049	Original payment or relief to others claim reclassified to loss of profits. Claim adjusted to reflect historical results and evidentiary shortcomings. See paragraphs 79 to 85 of the report.
TOTAL	116,243	50,058	

Claim preparation costs	2,000	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Agricultural Projects Co. Ksc
UNCC claim number: 4003294
UNSEQ number: E-00142

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	12,372	12,372	Original tangible property claim reclassified to loss of real property and stock. Claim awarded in full. See paragraphs 44 to 51 of the report.
Loss of stock	599,130	383,443	Claim adjusted for obsolescence and valuation basis. See paragraphs 52 to 65 of the report.
TOTAL	611,502	395,815	

Claim preparation costs	3,500	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	118,223	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Nisif & Al-Fakhory for Elec. Tra. & Contr. Co.
UNCC claim number: 4003295
UNSEQ number: E-00143

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	178,544	142,835	Original tangible property claim reclassified to loss of stock. Claim adjusted for obsolescence. See paragraphs 52 to 65 of the report.
Loss of cash	19,921	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Loss of profits	15,790	6,171	Claim adjusted to reflect historical results and for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
TOTAL	214,255	149,006	

Claim preparation costs	1,500	N.A.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al-Ghanim International

UNCC claim number: 4003296

UNSEQ number: E-00144

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of profits	23,901	2,656	Original payment or relief to others claim reclassified to loss of profits, restart of business and other loss not categorized. Loss of profits claim adjusted to reflect historical results, evidentiary shortcomings, and windfall profits. See paragraphs 79 to 85 of the report.
Restart of business	42,422	0	Insufficient evidence to substantiate claim. See paragraphs 93 to 97 of the report.
Other loss not categorized	2,854	0	Insufficient evidence to substantiate claim for expenses. For pre-paid expenses claim of KD 1,841, see paragraph 108 of the report.
TOTAL	69,177	2,656	

Claim preparation costs	1,250	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Atlas Commercial Co. W.L.L.
UNCC claim number:	4003297
UNSEQ number:	E-00145

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	371	371	Claim reclassified to loss of tangible property, stock and vehicles. Tangible property claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of stock	1,110,616	847,669	Claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of vehicles	4,300	4,300	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of profits	360,771	139,667	Adjusted to reflect historical results, to restrict the period of loss to 12 months and for windfall profits. See paragraphs 79 to 85 of the report.
Bad debts	14,064	0	Insufficient evidence to substantiate claim. See paragraphs 86 to 92 of the report.
Other loss not categorized	4,074	371	Claim for expenses adjusted for evidentiary shortcomings.
TOTAL	1,494,196	992,378	

Claim preparation costs	11,068	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	210,760	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Computer & Communication Concepts Co.
UNCC claim number: 4003298
UNSEQ number: E-00146

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	57,531	30,261	Original contracts claim reclassified to loss of stock and profits. Original tangible property claim reclassified to loss of stock. Stock claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of profits	26,485	11,702	Original payment or relief to others claim reclassified to loss of profits. Claim adjusted to reflect historical results and for windfall profits. See paragraphs 79 to 85 of the report.
Bad debts	44,895	0	Original business transaction claim reclassified to bad debts. Insufficient evidence to substantiate claim. See paragraphs 86 to 92 of the report.
Other loss not categorized	41,547	41,547	Claim reclassified to other loss not categorized and to loss of profits. Other loss claim awarded in full. See paragraph 105 of the report.
TOTAL	170,458	83,510	

Claim preparation costs	1,750	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Boland & Gharabally Co. W.L.L.
UNCC claim number: 4003300
UNSEO number: E-00148

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	340	231	Claim adjusted for maintenance and for evidentiary shortcomings. See paragraphs 44 to 51 of the report.
Loss of tangible property	21,704	15,320	Claim reclassified to loss of tangible property, stock, vehicles and other loss not categorized. Claim adjusted for maintenance, depreciation and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of stock	696,597	83,199	Insufficient evidence to substantiate stock claim. Goods in transit claim adjusted for obsolescence and for evidentiary shortcomings as above. See paragraphs 52 to 65 of the report.
Loss of vehicles	10,328	6,886	Lost vehicles claim adjusted to M.V.V. Table values. Damaged vehicles claim adjusted for maintenance. See paragraphs 52 to 65 of the report.
Loss of profits	210,095	148,729	Claim adjusted to reflect historical results and for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
Bad debts	37,849	0	Insufficient evidence to substantiate claim. See paragraphs 86 to 92 of the report.
Other loss not categorized	96,099	95,918	Original cash claim reclassified to other loss not categorized. Claim for cancelled Iraqi & Kuwaiti dinars awarded in full. See paragraphs 98 to 109 of the report. For pre-paid expenses claim, see paragraph 108 of the report.
TOTAL	1,073,012	350,283	

Claim preparation costs	2,500	n.a.	Original other loss not categorized claim reclassified to claim preparation costs. Governing Council's determination pending. See paragraph 111 of the report.
Interest	137,450	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

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Annex II

Recommended awards for second instalment of "E4" claims
Reported by claimant name and category of loss

Claimant's name: Dar Alyaqza Printing Press & Publication Co. W.L.L.
UNCC claim number: 4003301
UNSEQ number: E-00149

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	143,235	71,021	Original loss of profits claim reclassified to loss of real property and restart of business. Real property claim adjusted for depreciation, maintenance and evidentiary shortcomings. See paragraphs 44 to 51 of the report.
Loss of tangible property	1,491,452	716,132	Claim reclassified to loss of tangible property, stock and vehicles. Tangible property claim adjusted for depreciation and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of stock	197,798	194,513	Claim adjusted for obsolescence. See paragraphs 52 to 65 of the report.
Loss of vehicles	7,464	7,464	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of profits	256,700	43,524	Original other loss not categorized claim reclassified to loss of profits. Claim adjusted to reflect historical results. See paragraphs 79 to 85 of the report.
Restart of business	28,100	22,480	Cleaning and waste disposal claim adjusted for maintenance. See paragraphs 93 to 97 of the report.
TOTAL	2,124,749	1,055,134	

Claim preparation costs	8,000	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	210,704	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al Merooj Petroleum Supply Co. W.L.L.
UNCC claim number:	4003302
UNSEQ number:	E-00150

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	19,500	15,600	Claim reclassified to loss of tangible property and stock. Tangible property claim adjusted for maintenance. See paragraphs 52 to 65 of the report.
Loss of stock	363,958	309,249	Stock claim adjusted for evidentiary shortcomings. Goods in transit claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of profits	26,656	0	Claim adjusted to reflect historical results. See paragraphs 79 to 85 of the report.
TOTAL	410,114	324,849	

Claim preparation costs	2,400	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	40,669	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims
Reported by claimant name and category of loss

Claimant's name:	Gulf Mediterranean Co.
UNCC claim number:	4003303
UNSEQ number:	E-00151

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	109,503	89,267	Claim reclassified to loss of tangible property, stock, cash and vehicles. Tangible property claim adjusted for failure to repair/replace. See paragraphs 52 to 65 of the report.
Loss of stock	1,392,785	1,233,853	Stock claim adjusted for obsolescence. Goods in transit claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of cash	2,385	2,385	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of vehicles	20,400	14,125	Claim adjusted to M.V.V. Table values and for depreciation. See paragraphs 52 to 65 of the report.
Loss of profits	30,699	0	Claim adjusted to reflect historical results. See paragraphs 79 to 85 of the report.
TOTAL	1,555,772	1,339,630	

Claim preparation costs	4,500	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	154,280	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Aber Albathaly for General Trading & Contracting Co.
UNCC claim number: 4003269
UNSEQ number: E-00152

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	79,432	40,128	Original tangible property claim reclassified to loss of stock. Claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of profits	51,345	8,988	Claim adjusted to reflect historical results and for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
TOTAL	130,777	49,116	

Claim preparation costs	3,500	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	12,969	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al-Fardous Co-operative Society
UNCC claim number: 4000788
UNSEQ number: E-00153

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	98,113	75,206	Claim reclassified to loss of tangible property, stock, vehicles and other loss not categorized. Original restart of business claim reclassified to tangible property. Tangible property claim adjusted for maintenance and failure to repair/replace. See paragraphs 52 to 65 of the report.
Loss of stock	468,069	76,770	Claim adjusted for stock build-up, obsolescence and valuation basis. See paragraphs 52 to 65 of the report.
Loss of vehicles	10,405	2,850	Claim adjusted to M.V.V. Table values and for evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of profits	94,709	94,709	Claim awarded in full. See paragraphs 79 to 85 of the report.
Other loss not categorized	317,145	216,851	Cancelled Kuwaiti dinars claim awarded in full. Claim for Iraqi dinar losses adjusted. See paragraphs 98 to 109 of the report. For pre-paid expenses claim see paragraph 108 of the report.
TOTAL	988,441	466,386	

Claim preparation costs	950	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Moqaddim Imports Exports & Foodstuff Co. W.L.L.
UNCC claim number: 4003270
UNSEQ number: E-00154

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	302,115	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Loss of profits	25,426	5,728	Claim adjusted to reflect historical results and for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
TOTAL	327,541	5,728	

Claim preparation costs	2,000	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	32,481	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al Feel Kuwaiti Co. for Import & Exports W.L.L.
UNCC claim number:	4003271
UNSEQ number:	E-00155

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	168,832	0	Original tangible property claim reclassified to loss of stock. Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Loss of profits	30,451	22,838	Claim adjusted for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
TOTAL	199,283	22,838	

Claim preparation costs	2,000	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	19,763	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Agricultural Supplies & Equipment Co. W.L.L.
UNCC claim number: 4003272
UNSEQ number: E-00156

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	3,887	3,110	Claim adjusted for maintenance. See paragraphs 44 to 51 of the report.
Loss of tangible property	3,514	2,821	Claim reclassified to loss of tangible property, stock and vehicles. Claim adjusted for depreciation and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of stock	81,462	43,738	Claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of vehicles	1,610	1,610	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of profits	12,683	9,512	Claim adjusted for windfall profits. See paragraphs 79 to 85 of the report.
TOTAL	103,156	60,791	

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Najoud Trd. Co. W.L.L.
UNCC claim number:	4003273
UNSEQ number:	E-00157

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	31,776	17,000	Original tangible property claim reclassified to loss of stock and cash. Stock claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of cash	7,518	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Loss of profits	8,977	885	Claim adjusted to reflect historical results, for evidentiary shortcomings and windfall profits. See paragraphs 79 to 85 of the report.
TOTAL	48,271	17,885	

Claim preparation costs	2,000	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	4,787	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Almuttawa & Altaher Trading & Contracting Co. W.L.L.
UNCC claim number: 4003274
UNSEQ number: E-00158

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	180,179	29,367	Original tangible property claim reclassified to loss of stock. Claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
TOTAL	180,179	29,367	

Claim preparation costs	2,000	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	30,480	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Hadidco General Trading W.L.L.
UNCC claim number: 4003276
UNSEQ number: E-00161

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	8,442	6,754	Claim adjusted for maintenance. See paragraphs 44 to 51 of the report.
Loss of tangible property	4,300	3,440	Claim reclassified to loss of tangible property and stock. Tangible property claim adjusted for maintenance. See paragraphs 52 to 65 of the report.
Loss of stock	999,520	999,520	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of profits	173,250	173,250	Claim awarded in full. See paragraphs 79 to 85 of the report.
TOTAL	1,185,512	1,182,964	

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Homoud Rafaa & his Son Commercial Co.
UNCC claim number: 4003277
UNSEO number: E-00162

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	2,900	1,972	Claim adjusted for maintenance and evidentiary shortcomings. See paragraphs 44 to 51 of the report.
Loss of tangible property	3,350	1,424	Claim reclassified to loss of real property, tangible property and stock. Claim adjusted for depreciation and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of stock	21,198	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
TOTAL	27,448	3,396	

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Dar Al Anwar Electric Co. W.L.L. (Now Electrical Lights House Co. W.L.L.)
UNCC claim number:	4003279
UNSEQ number:	E-00165

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	381,466	233,784	Original tangible property claim reclassified to loss of stock. Claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of profits	26,184	11,228	Claim adjusted to reflect historical results and to restrict the period of loss to seven months. See paragraphs 79 to 85 of the report.
TOTAL	407,650	245,012	

Claim preparation costs	2,000	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	40,426	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Modern Building Co. for Trd.& Contr. W.L.L.
UNCC claim number:	4003280
UNSEQ number:	E-00166

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	26,998	21,598	Claim reclassified to loss of tangible property, stock, cash and vehicles. Tangible property claim adjusted for failure to repair/replace. See paragraphs 52 to 65 of the report.
Loss of stock	384,100	142,237	Claim adjusted for stock build-up and obsolescence. See paragraphs 52 to 65 of the report.
Loss of cash	38,255	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Loss of vehicles	3,344	3,344	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of profits	255,894	169,952	Claim adjusted to reflect historical results and for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
Bad debts	455,665	455,665	Original contracts claim reclassified to bad debts. Claim awarded in full. See paragraphs 86 to 92 of the report.
TOTAL	1,164,256	792,796	

Claim preparation costs	2,000	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	115,455	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al-Ghanim & Bodeiri Trading & Contracting Co.
UNCC claim number:	4003304
UNSEQ number:	E-00167

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	3,619	2,684	Claim adjusted for evidentiary shortcomings and failure to repair/replace. See paragraphs 52 to 65 of the report.
Loss of profits	123,638	36,024	Original payment or relief to others claim reclassified to loss of profits. Claim adjusted to reflect historical results, to restrict the period of loss to 10 months and for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
Other loss not categorized	6,400	6,000	Original restart of business claim reclassified to other loss not categorized. Claim for relocation expenses awarded in full. For pre-paid expenses claim see paragraph 108 of the report.
TOTAL	133,657	44,708	

Claim preparation costs	1,870	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Dashti & Sayegh General Trading & Contracting Co.
UNCC claim number: 4003305
UNSEO number: E-00168

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	331,406	215,886	Claim adjusted for failure to repair/replace, evidentiary shortcomings and maintenance. See paragraphs 44 to 51 of the report.
Loss of tangible property	359,054	281,725	Tangible property claim reclassified to tangible property, vehicles, stock and restart costs. Tangible property claim adjusted for depreciation, failure to repair/replace and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of stock	97,581	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Loss of vehicles	183,445	179,669	For vehicles listed in the M.V.V. Table, claim adjusted to M.V.V. Table values. For other vehicles, see paragraphs 52 to 65 of the report.
Loss of profits	191,664	71,874	Claim adjusted for evidentiary shortcomings and to restrict period of loss to 10 months (for one division). See paragraphs 79 to 85 of the report.
Restart of business	184,983	0	Insufficient evidence to substantiate claim. See paragraphs 93 to 97 of the report.
TOTAL	1,348,133	749,154	

Claim preparation costs	8,000	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	133,688	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Alkhadra Sheets Co. W.L.L.
UNCC claim number:	4003306
UNSEQ number:	E-00169

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	142,821	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Loss of profits	9,859	7,394	Claim adjusted for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
TOTAL	152,680	7,394	

Claim preparation costs	1,500	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	15,141	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Gulf & Bab Al-Mandb Trdg. Cont. Co.
UNCC claim number:	4003307
UNSEQ number:	E-00170

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	228,531	193,167	Original tangible property claim reclassified to loss of stock. Claim adjusted for stock build-up and obsolescence. See paragraphs 52 to 65 of the report.
Loss of profits	46,775	35,081	Claim adjusted for windfall profits. See paragraphs 79 to 85 of the report.
TOTAL	275,306	228,248	

Claim preparation costs	1,800	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	27,302	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Rahsid & Sultan Woolens Ltd. Co.
UNCC claim number: 4003317
UNSEQ number: E-00172

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	225	180	Original other loss not categorized claim reclassified to loss of real property and claim preparation costs. Real property claim adjusted for maintenance. See paragraphs 44 to 51 of the report.
Loss of stock	37,335	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Loss of cash	492	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Loss of profits	20,609	7,763	Claim adjusted to reflect historical results and for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
TOTAL	58,661	7,943	

Claim preparation costs	171	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Behbehani Jeep Motors Company
UNCC claim number: 4003318
UNSEQ number: E-00173

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of profits	998,001	0	Insufficient evidence to substantiate claim (claimant had not begun trading at time of invasion). See paragraphs 79 to 85 of the report.
TOTAL	998,001	0	

Claim preparation costs	1,000	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	158,256	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Muneif & Ali Abdulaziz Al Khudhari Co.
UNCC claim number: 4003319
UNSEQ number: E-00174

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	14,548	7,877	Original restart of business claim reclassified to loss of real property, tangible property, vehicles, payment or relief to others and other loss not categorized. Real property claim adjusted for maintenance. See paragraphs 44 to 51 of the report.
Loss of tangible property	10,752	1,655	Original tangible property claim reclassified to loss of stock and cash. Tangible property claim adjusted for maintenance and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of stock	623,559	392,413	Claim adjusted for stock build-up, evidentiary shortcomings and valuation basis. See paragraphs 52 to 65 of the report.
Loss of cash	5,202	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Loss of vehicles	1,318	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Payment or relief to others	5,051	5,051	Claim awarded in full. See paragraphs 70 to 78 of the report.
Loss of profits	328,234	162,654	Claim adjusted to reflect historical results, to restrict the period of loss to 12 months and for windfall profits. See paragraphs 79 to 85 of the report.
Bad debts	35,427	0	Insufficient evidence to substantiate claim. See paragraphs 86 to 92 of the report.
Other loss not categorized	3,200	1,710	Claim reclassified to loss of profits and other loss not categorized. Claim for cleaning expenses awarded in full. For pre-paid expenses claim see paragraph 108 of the report.
TOTAL	1,027,291	571,360	

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Gibson Trading Company W.L.L.
UNCC claim number:	4003332
UNSEQ number:	E-00175

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	15,125	12,100	Claim adjusted for maintenance. See paragraphs 44 to 51 of the report.
Loss of tangible property	34,490	24,322	Claim reclassified to loss of tangible property and stock. Tangible property claim adjusted for failure to repair/replace and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of stock	1,241,691	993,353	Claim adjusted for obsolescence. See paragraphs 52 to 65 of the report.
Loss of profits	29,932	17,105	Contracts claim reclassified to loss of tangible property and profits. Claim adjusted to reflect historical results, to restrict the period of loss to 12 months and for windfall profits. See paragraphs 79 to 85 of the report.
Bad debts	729,985	0	Original other loss not categorized claim reclassified to bad debts. Insufficient evidence to substantiate claim. See paragraphs 86 to 92 of the report.
TOTAL	2,051,223	1,046,880	

Claim preparation costs	3,545	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Ali Alghanim Aldabous General Trading Co.
UNCC claim number:	4003333
UNSEQ number:	E-00176

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	304,185	150,180	Original tangible property claim reclassified to loss of stock. Claim adjusted for compensation received from Central Bank, for obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
TOTAL	304,185	150,180	

Claim preparation costs	3,500	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	51,458	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Union of Consumer Co-operative Societies
UNCC claim number: 4003334
UNSEQ number: E-00177

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	2,752	2,202	Claim reclassified to loss of tangible property, stock, vehicles and other loss not categorized. Tangible property claim adjusted for maintenance. See paragraphs 52 to 65 of the report.
Loss of stock	150,107	42,572	Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of vehicles	16,900	16,900	Claim awarded in full. See paragraphs 52 to 65 of the report.
Payment or relief to others	10,582	0	Claim reclassified to loss of profits and payment or relief to others. See paragraphs 70 to 78 of the report.
Loss of profits	286,884	119,492	Claim adjusted to reflect historical results. See paragraphs 79 to 85 of the report.
Bad debts	64,500	64,500	Claim awarded in full. See paragraphs 86 to 92 of the report.
Other loss not categorized	77,054	75,999	Claim reclassified to other loss not categorized, profits, claim preparation costs and bad debts. For pre-paid expenses claim see paragraph 108 of the report. Other amounts, including bank balances, awarded in full. See paragraphs 106 and 107 of the report.
TOTAL	608,779	321,665	

Claim preparation costs	950	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Kuwait Plaza Hotel Company
UNCC claim number: 4003335
UNSEQ number: E-00178

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	433,349	264,215	Claim reclassified to loss of tangible property and stock. Tangible property claim adjusted for evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of stock	11,800	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Loss of profits	761,357	0	Adjusted to reflect historical results. See paragraphs 79 to 85 of the report.
TOTAL	1,206,506	264,215	

Claim preparation costs	5,150	n.a.	Other loss not categorized reclassified to claim preparation costs and interest. Governing Council's determination pending. See paragraph 111 of the report.
Interest	72,815	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: The Elegant Family Company W.L.L.
UNCC claim number: 4003336
UNSEQ number: E-00179

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	11,997	6,598	Claim reclassified to loss of tangible property and stock. Claim adjusted for evidentiary shortcomings and failure to repair/replace. See paragraphs 52 to 65 of the report.
Loss of stock	74,405	36,130	Claim adjusted for evidentiary shortcomings and for obsolescence. See paragraphs 52 to 65 of the report.
Loss of profits	9,453	1,631	Claim adjusted to restrict the period of loss to 12 months, to reflect historical results and for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
Other loss not categorized	1,761	0	See paragraph 108 of the report.
TOTAL	97,616	44,359	

Claim preparation costs	1,000	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	8,458	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Shams Al Kuwait Trading & Construction Contracting Co.
UNCC claim number: 4003337
UNSEQ number: E-00180

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	49,342	49,342	Claim reclassified to loss of tangible property and vehicles. Tangible property claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of vehicles	56,800	49,565	Claim adjusted to M.V.V. Table values. See paragraphs 52 to 65 of the report.
Loss of profits	22,050	0	Contract income claim reclassified to loss of profits and bad debts. Claim adjusted to reflect historical results. See paragraphs 79 to 85 of the report.
Bad debts	8,320	0	Insufficient evidence to substantiate claim. See paragraphs 86 to 92 of the report.
TOTAL	136,512	98,907	

Claim preparation costs	2,400	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	19,908	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

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Annex II
Recommended awards for second instalment of "E4" claims
Reported by claimant name and category of loss

Claimant's name: Shawal for Trading & Contracting Co. W.L.L.
UNCC claim number: 4003309
UNSEQ number: E-00182

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	38,670	20,151	Claim adjusted for depreciation, maintenance and evidentiary shortcomings. See paragraphs 44 to 51 of the report.
Loss of profits	16,940	7,465	Claim adjusted to reflect historical results and for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
TOTAL	55,610	27,616	

Claim preparation costs	1,500	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	6,164	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Abdullah Al-Naser Cont. Co.
UNCC claim number: 4003310
UNSEQ number: E-00183

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	4,000	3,200	Tangible property claim reclassified to loss of real property, tangible property, stock and vehicles. Real property claim adjusted for maintenance. See paragraphs 44 to 51 of the report.
Loss of tangible property	15,150	3,787	Claim adjusted for evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of stock	130,470	27,412	Claim adjusted for evidentiary shortcomings and obsolescence. See paragraphs 52 to 65 of the report.
Loss of vehicles	7,000	614	Claim adjusted for evidentiary shortcomings and to M.V.V. Table values. See paragraphs 52 to 65 of the report.
Loss of profits	49,616	7,852	Claim adjusted to reflect historical results, for evidentiary shortcomings and windfall profits. See paragraphs 79 to 85 of the report.
TOTAL	206,236	42,865	

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Farsi Fashions Company/Hamad Al Farsi & Partners
UNCC claim number: 4003311
UNSEQ number: E-00185

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	11,687	11,687	Claim reclassified to loss of tangible property, stock and cash. Tangible property claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of stock	52,127	33,379	Claim adjusted for stock build-up and obsolescence. See paragraphs 52 to 65 of the report.
Loss of cash	335	335	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of profits	5,950	2,429	Claim adjusted to reflect historical results and to restrict the period of loss to seven months. See paragraphs 79 to 85 of the report.
TOTAL	70,099	47,830	

Claim preparation costs	1,000	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Salem Al-Marzouk & Sabah Abi-Hanna W.L.L.
UNCC claim number:	4003312
UNSEQ number:	E-00186

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	4,482	3,586	Claim adjusted for maintenance. See paragraphs 44 to 51 of the report.
Loss of tangible property	30,309	28,914	Claim reclassified to loss of tangible property and vehicles. Office electronic equipment claim adjusted for failure to repair/replace. All other items awarded in full. See paragraphs 52 to 65 of the report.
Loss of vehicles	13,900	13,900	Claim awarded in full. See paragraphs 52 to 65 of the report.
Payment or relief to others	250,991	75,378	Claim for termination indemnities adjusted for evidentiary shortcomings. See paragraphs 70 to 78 of the report.
Loss of profits	477,212	131,728	Original contracts claim reclassified to loss of profits and other loss not categorized. Profits claim adjusted to reflect historical results. See paragraphs 79 to 85 of the report.
Restart of business	7,442	7,442	Claim awarded in full. See paragraphs 93 to 97 of the report.
Other loss not categorized	7,500	0	Claim for other loss not categorized reclassified to loss of real property, payment or relief to others, restart of business and other loss not categorized. For pre-paid expenses claim see paragraph 108 of the report.
TOTAL	791,836	260,948	

Claim preparation costs	3,780	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	70,839	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al-Mejhem General Trading & Cont. Co. W.L.L.
UNCC claim number: 4003315
UNSEQ number: E-00189

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	20,145	14,918	Claim adjusted for maintenance and evidentiary shortcomings. See paragraphs 44 to 51 of the report.
Loss of profits	268,370	0	Original other loss not categorized claim reclassified to loss of profits. Insufficient evidence to substantiate claim. See paragraphs 79 to 85 of the report.
TOTAL	288,515	14,918	

Claim preparation costs	488	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Firtek Transport Co.
UNCC claim number: 4003338
UNSEQ number: E-00191

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of vehicles	320,950	220,940	Original tangible property claim reclassified to loss of vehicles. Claim adjusted for depreciation. See paragraphs 52 to 65 of the report.
TOTAL	320,950	220,940	

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Barakat Showroom Company W.L.L.
UNCC claim number: 4003339
UNSEQ number: E-00192

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	1,090	1,090	Claim reclassified to loss of tangible property, stock, cash and bad debts. Tangible property claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of stock	174,346	126,499	Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of cash	360	0	Insufficient evidence to substantiate claim. See paragraphs 52 to 65 of the report.
Payment or relief to others	3,250	3,250	Claim awarded in full. See paragraphs 70 to 78 of the report.
Loss of profits	14,367	14,037	Claim adjusted to reflect historical results. See paragraphs 79 to 85 of the report.
Bad debts	14,523	0	Insufficient evidence to substantiate claim. See paragraphs 86 to 92 of the report.
TOTAL	207,936	144,876	

Claim preparation costs	2,200	n.a.	Governing Council's determination pending. See paragraph 111 of the report.
Interest	23,815	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

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Annex II
Recommended awards for second instalment of "E4" claims
Reported by claimant name and category of loss

Claimant's name: Reebass Trading Group Co. W.L.L.
UNCC claim number: 4003340
UNSEQ number: E-00193

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	500	0	Claim reclassified to loss of tangible property, stock and vehicles. Insufficient evidence to substantiate tangible property claim. See paragraphs 52 to 65 of the report.
Loss of stock	221	221	Claim awarded in full. See paragraphs 52 to 65 of the report.
Loss of vehicles	2,625	2,352	Claim adjusted to M.V.V. Table values. See paragraphs 52 to 65 of the report.
Loss of profits	4,000	2,787	Claim adjusted to reflect historical results and evidentiary shortcomings. See paragraphs 79 to 85 of the report.
TOTAL	7,346	5,360	

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Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Atlas Al-Arab Co. W.L.L.
UNCC claim number:	4003341
UNSEQ number:	E-00194

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	685,351	453,634	Claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 52 to 65 of the report.
Loss of profits	17,666	5,143	Claim adjusted to reflect historical results and for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
TOTAL	703,017	458,777	

Interest	79,089	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Abdulla Mishari Al-Kulaib Sons Co. W.L.L.
UNCC claim number:	4003342
UNSEQ number:	E-00195

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	23,654	10,144	Claim adjusted for maintenance, depreciation and evidentiary shortcomings. See paragraphs 44 to 51 of the report.
Loss of profits	155,372	0	Claim adjusted to reflect historical results. See paragraphs 79 to 85 of the report.
TOTAL	179,026	10,144	

Annex II

Recommended awards for second instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al Tiraz Al-Hadith Trd. Co.
UNCC claim number:	4003343
UNSEQ number:	E-00196

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	63,614	16,005	Original tangible property claim reclassified to loss of stock. Claim adjusted for stock build-up, obsolescence and valuation basis. See paragraphs 52 to 65 of the report.
Loss of profits	7,616	7,313	Claim adjusted to reflect historical results and to restrict period of loss to seven months. See paragraphs 79 to 85 of the report.
TOTAL	71,230	23,318	

Claim preparation costs	750	n.a.	Governing Council's determination pending. See paragraph 111 of the report.

Annex II

Recommended awards for second instalment of "E4" claims
Reported by claimant name and category of loss

Claimant's name: Qasem & Ahmed Hassan Ali Boland
UNCC claim number: 4003344
UNSEQ number: E-00198

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	25,946	6,512	Original tangible property claim reclassified to loss of stock. Insufficient evidence to substantiate stock claim. Goods in transit claim adjusted for obsolescence. See paragraphs 52 to 65 of the report.
Loss of profits	423,244	2,589	Claim adjusted to reflect historical results, to restrict period of loss to 12 months and for evidentiary shortcomings. See paragraphs 79 to 85 of the report.
Other loss not categorized	17,223	17,223	Original bad debts claim reclassified to other loss not categorized. Claim for cancelled Kuwaiti dinars awarded in full. See paragraphs 98 to 109 of the report.
TOTAL	466,413	26,324	

Interest	41,836	n.a.	Governing Council's determination pending. See paragraph 110 of the report.

Annex III

Second instalment claims for which nil award recommended

Reported by UNSEO and UNCC claim numbers and claimant name

UNSEO claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-02222	4005330	The Kuwait Agricultural Investment	9,706	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02225	4005333	Agricultural and Foodstuff Supplies	91,390	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02228	4005336	Al Rafeya General Trading & Contracting Company	44,360	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02238	4005346	Najam Al-Harz	33,250	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02241	4005349	Amghara General Trading & Cont. Co. Saeed Abdulla Al Yamani & Partner W.L.L.	128,353	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02244	4005352	Abdul Mouhsen Hashem Al Ali Sons Co. for Trading & Contracting	144,054	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02251	4005359	Gulf Unit Electrical Contracting Co.	45,700	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02254	4005362	Fatat Al Kuwait Fashion Co.	102,446	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.

UNSEQ claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-02258	4005366	First Gulf Real Estate Company	5,000,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02263	4005371	Sealol Kuwait K.S.C.	1,970,977	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02265	4005373	Durani Intl. Exchange Co. - Mohmouda Sardar Khan & Serviras Khan Durani	29,398	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02268	4005376	Hamad & Moeller Trading Co.	335,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02271	4005379	Hamoor Decorating Company W.L.L.	222,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02275	4005383	Al-Meshal Company	299,166	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02280	4005388	Al-Siham Trading & Contracting Co.	1,091,896	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02282	4005390	Al-Shams Wa Al-Qamar for Readymade Garments Co.	301,413	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02288	4005396	Itihad Al-Kuwait Trading Contracting & Electrical	2,306,738	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.

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UNSEQ claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-02291	4005399	Co-operative Society of Savings for Kuwaiti Staff in Government	188,604	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02292	4005400	United Trading & Contracting Commercial Group Co.	1,000,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02294	4005402	Bein El Nahrain Co. for General Contracting & Trading	59,920	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02295	4005403	Al Da'era Foodstuff Trading Company	48,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02299	4005407	National Printing Press Co.	356,242	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02300	4005408	Workers Union of Petrochemical Industries Co.	3,067,661	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02304	4005412	Golden Wall General Trading & Contracting	67,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02311	4005419	Ali Muowar & Mohd. Kharma Industrial Equipment Co.	67,652	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02318	4005426	Al Sader Natsha & Deis Company	6,400,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.

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UNSEQ claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-02319	4005427	Al Amani Al Khalejiya for International Transport	26,500	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02321	4005429	Awali General Trading & Contracting Co.	273,436	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02322	4005430	Al Sabah & Sabawi Trd. & Cont. Co. W.L.L.	233,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02324	4005432	Al-Zahra Saloon for Ladies Co. - Fatima Husain Aissa & Partners	185,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02325	4005433	Al Hilali Workshop Co. for Curtains, Furniture, Carpets & Accessories	110,340	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02328	4005436	Pan Arab Research Centre W.L.L.	201,248	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02329	4005437	Hashem & Al Akkad Co. for Textiles	229,797	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02330	4005438	Al Ghannam Auto Spare Parts Co.	1,530,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02332	4005440	Arabi Equipment Group Co. K.S.C. Closed	64,440	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.

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UNSEQ claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-02334	4005442	Silver Station Co. Trading and Contracting	806,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02336	4005444	Ghalab & Faisal Auto Parts Co. Ghalab Al-Mutari & Co. W.L.L.	429,564	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02337	4005445	Al-Mulla Consultancy Co. W.L.L.	30,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02344	4005452	Green Sea Co. for Trading & Contracts	108,743	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02345	4005453	Al-Qariya Agricultural Co. W.L.L.	72,005	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02346	4005454	Al-Khalidiat Trading Company W.L.L.	45,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02348	4005456	Mansour Qabazerd Sons Co. for Real Estate & Stock Exchange	45,500	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02349	4005457	Al-Bazel for Trdg. & Cont. Company Ameen Mohammed Ahmed Alawazi & Partner	150,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02350	4005458	Al-Manar Marine Const. & Equipment Co.	33,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.

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UNSEQ claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-02351	4005459	Al-Otaiby & Al-Najjar Trdg. & Cont. Co.	262,416	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02352	4005460	Al-Shatti & Al-Shami for Decoration Contracting	34,500	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02353	4005461	Al Mersal Trading Co.	84,798	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02357	4005465	Al-Mashrabia Co. for Readymade Clothes & Gifts	207,853	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02360	4005468	Alalya General Trd. & Cont. Co.	285,528	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02361	4005469	Al Draei Trading Co.	33,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02362	4005470	The Middle East & Gulf Co.	203,511	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02364	4005472	Fawz Al Amal Real Estate Co.	26,714	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02366	4005474	Al Nazaer Artistic Production & Distribution Co.	597,130	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.

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UNSEQ claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-02369	4005477	Kuwaiti Egyptian Travel Co.	275,500	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02374	4005482	Baqer Assad & Sons for Gen. Trdg. & Cont.	112,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02376	4005484	United Enterprises for Trading & Contracting Co.	949,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02378	4005486	Arab Building Construction Company	450,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02379	4005487	Al-Mona Co. for Athletic Goods	300,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02382	4005490	Shabib Jailan & Sons Trading Company	456,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02383	4005491	Ghazwan Trading & Cont. Co. W.L.L.	400,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02385	4005493	Nory Ahmad for Trading & Gen. Cont. Co. W.L.L.	169,635	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02387	4005495	Al-Okab Trading Company	150,600	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.

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UNSEQ claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-02388	4005496	Al-Mawrid Trading & Cont. W.L.L.	118,188	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02390	4005498	Al-Mulla & Al Essa Trading Co.	40,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02391	4005499	Hamad Al-Falah & Partners Gen. Trdg. & Cont. Co. W.L.L.	45,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02396	4005504	Al-Gada Readymade Wear, Producing Co. W.L.L.	122,915	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02397	4005505	Ali Naki Sons Real Estate Trdg. Co. W.L.L.	305,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02399	4005507	Al-Sahel Al-Areed Furnishing Co. W.L.L.	218,500	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02400	4005508	Al Kulaib Trd. Electrical Cont. Co. - Kulaib & Dallah W.L.L.	50,679	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02402	4005510	Fuad Dashti Co.	98,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02403	4005511	Middle East Central Company	234,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.

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UNSEQ claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-02405	4005513	Al-Jinabi & Hijazi Co. for Electrical Cont. and Commerce	44,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02407	4005515	Abdulrazzak Abdulhamid Al Sane Real Estate Investment Company	6,521,208	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02409	4005517	Al-Salmy Transport Co.	80,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02411	4005519	Al Reem Cont. & Buildings & Road Cleaning Co.	2,935	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02412	4005520	Durrait Suhaj Tailoring for Men Co.	1,840	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02413	4005521	Habib & Haswa Trading Co.	415,623	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02415	4005523	Kuwait Dana Co. for Cont. & Decoration	62,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02417	4005525	Al-Waha Contracting Company	730,406	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02419	4005527	Kuwaiti Motors Co.	500,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.

UNSEQ claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-02420	4005528	Arabian Marble Company	180,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02424	4005532	Abdul Rahman & Al Areed Co. for Electrical & Electronic Devices W.L.L.	56,180	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02425	4005533	Al-Maha for Cars Co., Mohamed Ahmed M. Al Maghraby, Partner	25,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02426	4005534	Gadeer Al-Khair Gen. Trdg. & Cont. Co.	133,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02428	4005536	Al-Surra Auto Parts Co.	157,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02429	4005537	Al-Mawaheb International Cosmetics & Traditional Jewelleries	37,425	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02430	4005538	Bird Of Paradise Flowers Co., Shaker Jaseem Al Sane & Co. (W.L.L.)	28,079	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02431	4005539	Al Hadeel Photography & Photographic Accessories	36,375	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02432	4005540	Al-Hajar Al-Azrak Computer Co.	38,178	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.

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UNSEQ claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-03440	4005548	Brothers for Foodstuff, Veg. & Fruits Co.	51,803	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02442	4005550	Al Nassar & Al-Towfic Electronic Watch Co.	107,838	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02444	4005552	Al-Karmi Company W.L.L.	75,205	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02445	4005553	Green Oasis Dry Clean Co.	107,317	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02446	4005554	International Mills Co. W.L.L.	121,624	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02449	4005557	Limited Kuwaiti Mattress Company	250,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02450	4005558	Sharifa Abdel Rahman Al-Sayer & Partners	42,288	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02451	4005559	Al-Turki Cars Trading Company	197,920	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02453	4005561	Messan Gen. Trd. & Cont. Transport Co.	805,366	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.

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UNSEQ claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-02455	4005563	Al-Fouzan United Trdg. Co.	236,646	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02456	4005564	Sahel Al-Maselah Gen. Trdg. Co. Nayef Abdul Aziz Al Sabah & Abdullah Al Wazan	76,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02458	4005566	Arabia Centre for Gen. Trdg. & Cont.	451,841	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02460	4005568	Musaed Al-Sayer & Co. for General Trading	133,059	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02461	4005569	Al-Abdali Cont. & Const. Co.	120,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02462	4005570	Al-Moshargi Alghanim General Trdg. & Cont. Co	103,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02463	4005571	Abdulrahman & Azzam Trd. Co.	446,323	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02464	4005572	Egypt Trading Co. W.L.L.	76,740	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02466	4005574	Gulf Projects Company	32,423	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.

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UNSEQ claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-02467	4005575	Wadha Tailor for Clothes Production	28,092	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02472	4005580	Arab Sports & Cosmetics Company	163,574	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02473	4005581	Al-Naser for Import and Export Company	45,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02474	4005582	Al Ajmi Co. for Mechanical Instruments W.L.L.	148,817	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02477	4005585	Luxur Trading Company W.L.L.	169,800	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02478	4005586	Al Shuaiba Trading Services	100,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02483	4005591	Metal Supplies & Carpentry Equipments	220,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02485	4005593	Al Boraq Ship Building & Caravans Co.	1,758,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02486	4005594	Zulfa Mohammed Al-Ahmed & Sons Scrap Trdg. Co.	500,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.

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UNSEQ claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-02489	4005597	Kuwait Commercial House Co. W.L.L.	50,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02491	4005599	Al-Salal & Lafi Cont. & Sanitary Eqpt.	44,390	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02495	4005603	Sabah Al-Rayes & Brothers Trdg. & Cont. Co.	109,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02496	4005604	Al-Hadeetha Trading & Cont.	2,155,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02497	4005605	Sports Centre Hamed Abdulla Al-Zaid	121,243	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02498	4005606	Commercial Trading & Contracting Co.	352,843	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02500	4005608	Bian Optical Company	148,909	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02501	4005609	Al-Aroosah Company for Furniture	215,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02502	4005610	Ahmad Abdulla Al-Mehri & Brothers	467,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.

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UNSEQ claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-02503	4005611	Al-Karma Readymade Clothes	151,400	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02504	4005612	Nafisi United Group	706,105	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02505	4005613	Basma for Video & Electrical Appliances & Technical production Co.	300,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02507	4005615	Al-Awaly Travel Saud Mohammed Al Hamed	100,700	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02511	4005619	Allayah Trading & Gen. Cont. Co.	110,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02512	4005620	Al-Kalamoon Transporting & Cleaning Co.	93,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02513	4005621	Beit Al-Television & Video Co.	150,131	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02516	4005624	Al-Farhan Int'l Gen. Trdg. Co.	43,569	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02517	4005625	Al-Jazira Plastic Sheets & Pro. Mfg. Co.	197,290	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.

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UNSEQ claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-02518	4005626	Al-Helal Co. for Athletic Equipment	220,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02519	4005627	The Technical Company for Commercial, Kitchen & Laundry Equipment	115,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02520	4005628	Golden Manazel for Bldg. Const. Co.	96,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02522	4005630	Al Aouj Fashions & Accessories Co.	327,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02523	4005631	Arkan Decoration Contracting Co.	143,807	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02526	4005634	Al-Afaq Co. for Transporting & Cars Trdg.	159,716	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02527	4005635	Union East Trading Company	132,488	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02529	4005637	Technical Centre for Plastic and Fibreglass Co. W.L.L.	100,018	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02530	4005638	Al-Ilaiwi & Abu Diak for Transport - Exp. & Imp. Co.	148,118	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.

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UNSEQ claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-02533	4005641	El-Salam Company	165,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02534	4005642	Al-Sayer Gen. Trdg. & Cont. Co.	50,584	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02535	4005643	Al-Baraa Commercial Contracting Company	280,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02538	4005646	Sahel Al-Fahaheel Co.	67,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02542	4005650	The Desert Caravan Gen. Trdg. & Cont. Co.	85,958	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02543	4005651	Al-Nawaya Foodstuff Co.	119,569	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02544	4005652	Al Durrer Trd. Co.	400,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02546	4005654	Al Qandus Const. Co./Mohammed Khaleefa Al Sabah	2,295,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02549	4005657	Al-Atta Al-khaliji Co., for Elect. & Elect. Devices W.L.L.	150,516	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.

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UNSEQ claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-02552	4005660	Al-Tal Co. for Gen. Trdg. & Cont. Mejed Farea Mathr Al Muthiri & Sons W.L.L.	136,718	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02553	4005661	Souk Al-Awaly Public Centre Co. W.L.L.	233,624	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02556	4005664	Al Seel International Trd. & Cont. Co. W.L.L.	83,848	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02557	4005665	Burgan Company for Int'l Trdg. - Sheakh Ali Jarah Al Sabah	1,097,665	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02559	4005667	Razzan Electrical Tool & Cont. Co.	125,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02561	4005669	Ahdy & Ahed Trdg. Co.	22,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02563	4005671	Al-Yarmouk Used Cars Co. W.L.L.	77,403	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02564	4005672	Al-Fateh Textile	50,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02566	4005674	Al Nusif Plastic Industry Co W.L.L.	102,647	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.

UNSEQ claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-02567	4005675	Al Badaweya Co. for Electrical Sets	499,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02569	4005677	Sadiq Al Bahra Electrical & Electronic Co.	153,100	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02571	4005679	Saab Al Lafy Co. for Trade & Contracting	195,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02572	4005680	Gulf Star Shipping Co. W.L.L.	170,604	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02573	4005681	Al-Nisar Al-Arabi Company for Trading & General Contracting	185,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02574	4005682	World Photo Company	500,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02575	4005683	Fantasy Group Gen. Trdg. & Cont. Co.	60,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02576	4005684	Al Farhan Andal-Saleh Trading Co.	283,710	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02577	4005685	Arabic Company for Insulators Materials, Chemicals & Construction Materials W.L.L.	953,034	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.

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UNSEQ claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-02578	4005686	Golden Centre Trading & Cont. Co.	419,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02579	4005687	Al-Nassar & Al-Ghanim Trdg. & General Contracting Co.	117,166	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02581	4005689	Al-Subaee & Al-Sehli Gen. Cont. Co.	174,632	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02583	4005691	Al Rayan General Cont. Co.	167,073	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02586	4005694	Bukka Company for Trading & General Contracting	120,561	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02588	4005696	Abdulla Mohd. Mirza & Sons Readymade Garments & Cosmetics Co.	15,678	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02589	4005697	Al-Sharq Nights Company for Recording W.L.L.	53,634	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02590	4005698	Al-Bashir & Babugy Readymade Garments, Gifts & Luxuries Co.	24,654	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02594	4005702	Al-Azemi & Moqallid for Cont. & Const. Materials Co.	166,524	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.

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UNSEQ claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-02596	4005704	Abdullah Al-Wasmi & Sons Co.	4,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02600	4005707	Systematic United Trd. & Cont. Co.	140,670	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02601	4005708	Al Shall Real Estate Consultancy & Services Co.	200,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02602	4005709	Al-Mona International Co. for Bldg. Const. W.L.L.	380,424	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02603	4005710	National Sports Co.	38,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02604	4005711	Al-Wifak Al-Arabi Co., for Sanitary, Electrical, Contracting & Maintenance	378,915	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02605	4005712	Anwar Al Ta'Af for Bldg. & Roads Cleaning Co.	100,150	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02607	4005714	Al Mutahidin Artistic Production & Distribution	14,578	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02608	4005715	Blue Star Sports Co.	50,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.

UNSEQ claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-02609	4005716	Al-Bashaier Taxi Co. W.L.L.	18,766	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02610	4005717	Transworld Alfaisal Trd. Group	2,135,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02611	4005718	Steel Leather - Plastics Furniture Co. Ltd.	200,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02612	4005719	Ahmadi Governorate Equestrian & Clay Pigeon Assoc.	138,896	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02614	4005721	Al-Nuzha Co-Operative Society	1,051,510	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02616	4005723	Al-Awes Trading & Contracting	274,287	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02619	4005726	Farah Company for Trading Meats & Cattle	49,968	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02620	4005727	Al-Araby Co for Security Exchange	200,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02623	4005730	Al-Dora for Shoes & Clothes Co.	32,610	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.

UNSEQ claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-02624	4005731	Kuwait Handball Association	76,066	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02626	4005733	Wara for Manufacturing of Metallic Furniture	800,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02627	4005734	Said-Ghariafy Limited Co.	750,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02629	4005736	Shaigy Garage for Repairing Cars Co. (Heirs of Suliman Mohd. Saleh Al Shaigy) Ltd.	57,100	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02630	4005737	Al Asser Al Fiddi Gen. Trad. and Cont. W.L.L.	598,151	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02631	4005738	Al Mashrafia for Trading & Cont. Co.	70,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02633	4005740	Derat Al-Ezz Restaurants Co.	207,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02634	4005741	International Engineering Const.	147,643	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02637	4005744	Orient Oil Services Co.	614,441	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.

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UNSEQ claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-02638	4005745	Fortune Productions	181,733	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02641	4005748	Al Hijaz Foodstuff & Restaurant Co .	68,725	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02643	4005749	Kuwaitco General Cont. Co. W.L.L.	211,555	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02644	4005750	Zaid Alsirhan & Sons Company	4,000,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02645	4005751	Al Shahwan & Al Adwani Commercial Co.	105,512	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02648	4005754	Al Ghazal for Const. & Erection Co. (Closed Shareholding Co.)	98,044	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02649	4005755	Al Atta Trading and Contracting Co. W.L.L.	127,990	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02650	4005756	Al Musaed Kuwait Export, Import & Cont. Co.	120,974	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02652	4005758	Albaz Trading and Contracting Co.	244,852	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.

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UNSEQ claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-02653	4005759	Al Byader Al Kuwaitia Co. for Gen. Trad. & Cont.	60,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02654	4005760	Al Maria General Trading & Construction Co.	234,400	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02656	4005762	Kuwait Rubaiya General Trad. & Cont. Co.	138,951	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02659	4005765	Shining Family Company for Shoes	37,736	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02660	4005766	Development Trading Company Limited	28,300	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02661	4005767	Al Bakr & Mohieddin Trad.& Const. Cont. Co. W.L.L.	462,190	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02664	4005770	Akram Co. W.L.L.	188,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02665	4005771	Kuwait Football Association	990,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02666	4005772	Kuwait Table Tennis Association	25,953	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.

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UNSEQ claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-02667	4005773	Sawahel Tanja Co. for Decor & Electrical	31,800	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02597	4005778	Sultan Software Company	125,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02670	4003235	Sayed Hamaza & Sons Co. Gen. Trading Cont.	91,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02671	4003236	Kuwait Boxing & Weightlifting Association	64,999	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02672	4003237	Universe Advertising	45,686	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02673	4003238	A-One for Readymade Clothes W.L.L.	40,344	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02675	4003240	Al Ewesi for Electrical Contracting Company - Jema Khames Abdullah Alewes	75,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02676	4003241	Mira'at Al Alam Trading Company.	37,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02677	4003242	Al Matrook & Jamil Paints Co. W.L.L.	24,759	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.

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UNSEQ claim no.	UNCC claim no.	Claimant's name	Amount claimed (KD)	Amount Recommended (KD)	Reasons for recommendation
E-02679	4003244	Kuwait Gymnastic Federation	100,182	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02682	4003247	West Asia Trading Co. Rafif	194,600	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02683	4003248	Kuwait Union for Private Schools Owners & Educational Institutes	54,205	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02684	4003249	Red Canal Trading Co.	6,500	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02685	4003250	Social Reform Society - Private Societies	99,412	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02688	4003253	Al Mattar & Al Hajak General Contracting & Trading Co.	200,000	0	No statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
E-02698	4003263	Al Refai (Used Cars & Spare Parts) Co.	43,917	0	Brief statement of claim. Evidence not sufficient to establish circumstances or amount of claimed loss.
TOTAL	-	-	83,879,014	0	-

Annex VIII

Decision concerning the second instalment of E4 claims taken by the Governing Council of the United Nations Compensation Commission at its 90th meeting, held at Geneva on 30 September 1999*

The Governing Council,

Having received, in accordance with article 38 of the Provisional Rules for Claims Procedure, the report and recommendations made by the panel of Commissioners concerning the second instalment of "E4" claims, covering three hundred and eighty-one claims, 1/

Having received an information note dated 8 September 1999 from the secretariat stating that, in paragraph 71 of the report, the Panel considered that the claimed relief payments were in the nature of "on-going ordinary living" payments and expenses and not of a "temporary and extraordinary" nature,

Recalls that paragraph 22 of decision 7 of the Governing Council permits the payment of claims for "payments made or relief provided by corporations or other entities to others ... for losses covered by any of the criteria adopted by the Council" with no distinction made between payments made or relief provided as a result of contractual obligations or otherwise,

1. Approves the recommendations made by the panel of Commissioners, and, accordingly,

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* Previously issued as document S/AC.26/Dec.77 (1999).

1/ The text of the report appears in document S/AC.26/1999/17 (annex VII above).

2. *Decides*, pursuant to article 40 of the Rules, to approve the amounts of the recommended awards concerning the claims covered in the report. The aggregate amount awarded, as noted in annex I of the report, is as follows:

Country	*Number of claims recommended for payment*	*Number of claims not recommended for payment*	*Amount of compensation claimed (US$)*	*Amount of compensation recommended (US$)*
Kuwait	139	242	561,571,315	119,900,072

3. *Reaffirms* that when funds become available payments shall be made in accordance with decision 73 (S/AC.26/Dec.73 (1999)),

4. *Recalls* that when payments are made in accordance with decision 73 (S/AC.26/Dec.73 (1999)) and pursuant to the terms of decision 18 (S/AC.26/Dec.18 (1994)), Governments shall distribute amounts received to the designated claimants in respect of approved awards within six months of receiving payment, and shall, not later than three months after the expiration of this time limit, provide information on such distribution,

5. *Requests* the Executive Secretary to provide a copy of the report to the Secretary-General, to the Government of the Republic of Iraq and to the Government of the State of Kuwait.

Annex IX

Report and recommendations of the Panel of Commissioners concerning the fourth instalment of E4 claims*

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* Previously issued as document S/AC.26/1999/18.

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Annex I: Recommended awards for the fourth instalment of "E4" claims reported by UNSEQ and UNCC claim numbers and claimant name

Annex II: Recommended awards for the fourth instalment of "E4" claims reported by claimant name and category of loss

Introduction

1. At its thirtieth session, held on 14-16 December 1998, the Governing Council of the United Nations Compensation Commission (the "Commission") appointed Messrs. Luiz Olavo Baptista ("Chairman"), Jean Naudet, and Jianxi Wang as the second Panel of Commissioners (the "Panel") charged with reviewing category "E4" claims. The category "E4" population consists of claims submitted by Kuwaiti entities, other than oil sector and environmental claims, eligible to file claims under the Commission's "Claim Forms for Corporations and Other Entities" ("Form E").

2. The fourth instalment of 140 "E4" claims was submitted to the Panel on 13 January 1999, in accordance with article 32 of the Provisional Rules for Claims Procedure (S/AC.26/1992/10) (the "Rules").

3. Pursuant to article 38 of the Rules, this report contains the Panel's recommendations to the Governing Council concerning the fourth instalment claims.

I. OVERVIEW OF THE FOURTH INSTALMENT CLAIMS

4. The fourth instalment claims were selected from among the population of approximately 2,750 "E4" claims on the basis of criteria that include, inter alia, the size, volume and complexity of the claim, the legal, factual, and valuation issues raised by the claim, and the date of filing of the claim with the Commission.

5. The fourth instalment claims allege losses aggregating Kuwaiti dinars ("KD") 45,710,813 (approximately US$158,168,903). The claimants also assert claims for interest aggregating KD 1,675,583 (approximately US$5,797,865) and claim preparation costs aggregating KD 293,865 (approximately US$1,016,834). The claims range between KD 13,072 and KD 1,574,247 (i.e., between approximately US$45,232 and US$5,447,221) in value.

6. The fourth instalment claims are not classified as "unusually large or complex". In other words, the amount claimed by each claimant is less than KD 3 million (approximately US$10 million), and, due to the nature of the legal and factual issues raised in the claim and the amount of documentation provided in support of the claimed loss, the Panel's verification and valuation of the claim is feasible within 180 days.

7. All the claimants in the fourth instalment operated in Kuwait prior to Iraq's invasion and occupation of Kuwait. Most of these businesses traded in consumer items, while some dealt in construction materials, jewellery, vehicles, vehicle parts and industrial products. A significant number of claimants were engaged in service industries, e.g., real estate, transportation, travel and travel-related services. The fourth instalment also includes claims from co-operative societies.

8. Claimants in this instalment have sought compensation under all loss categories identified on Form E except two: loss of business transaction or course of dealing and loss of income-producing property. The two most common losses asserted in this instalment are loss of tangible property (mainly furniture, fixtures, equipment and stock) and loss of earnings or profits. Fourth instalment claimants also submitted claims for uncollectible receivables, restart costs, interest and claim preparation costs under the "other losses" category.

II. THE PROCEEDINGS

9. Before the fourth instalment claims were submitted to the Panel, the secretariat undertook a complete review of these claims in accordance with the Rules. The secretariat first carried out a preliminary assessment of the claims, pursuant to article 14 of the Rules, to verify whether the claims met the formal requirements of articles 14(1) and 14(2). For example, the claims were reviewed to ascertain whether they included proof of incorporation or organization under the laws of Kuwait on the date the claim arose, and contained an affirmation by the authorized official for each claimant that the information contained in the claim is correct. The results of this formal review were entered into a centralized database maintained by the secretariat (the "Claims Database").

10. Originally nine claims presented formal deficiencies and the secretariat issued notifications to these claimants pursuant to article 15 of the Rules. All deficiencies were corrected by the claimants.

11. A substantive review of the fourth instalment claims was undertaken by qualified professionals (legal officers, accountants and loss adjusters) within the secretariat to identify significant legal, factual and valuation issues. The results of the review, including the significant issues identified, were recorded in the Claims Database.

12. The Executive Secretary of the Commission submitted reports dated 8 July 1998 and 13 October 1998 to the Governing Council in accordance with article 16 of the Rules. These reports covered, inter alia, the fourth instalment of "E4" claims and presented significant legal and factual issues identified in these claims. Governments, including the Government of Iraq, submitted to the secretariat for transmission to the Panel additional information and views in response to the Executive Secretary's article 16 reports.

13. Accordingly, at the conclusion of the (i) preliminary assessment; (ii) substantive review; and (iii) article 16 reporting, the secretariat submitted the following documents to the Panel for consideration:

(a) the claim documents submitted by the claimants;

(b) the preliminary assessment reports prepared by the secretariat under article 14 of the Rules;

(c) information and views of Governments, including the Government of Iraq, received in response to the article 16 reports; and

(d) other information, such as legal briefing notes, deemed, under article 32 of the Rules, to be useful to the Panel for its work.

14. The number of claims before the Panel in this instalment and the volume and nature of evidence presented in these claims necessitated the use of expert consultants in accordance with article 36(b) of the Rules. The Panel retained the services of an accounting firm and a loss adjusting firm, selected by a competitive bidding process in accordance with applicable United Nations rules.

15. The Panel directed the expert consultants to review each claim in accordance with the verification and valuation methodology developed by the first "E4" Panel and to submit to the Panel a detailed report for each claim summarizing the expert consultants' findings. The verification and valuation methodology is discussed in the "Report and recommendations made by the Panel of Commissioners concerning the first instalment of 'E4' claims" (S/AC.26/1999/4) (the "First 'E4' Report"). The methodology used by the Panel in the First "E4" Report is not restated in this report. Instead, this report makes reference to the First "E4" Report. As with the First "E4" Report, the Panel's treatment of certain claims is highlighted in the body of the report.

16. By its first procedural order dated 15 January 1999, the Panel gave notice of its intention to complete its review of the fourth instalment claims and submit its report and recommendations to the Governing Council within 180 days of 13 January 1999. In view of the additional information obtained by the secretariat, pursuant to the provisions of article 34 of the Rules, the Panel issued no other procedural orders.

17. The Panel's first procedural order was transmitted to the Government of Iraq and the Government of Kuwait on 15 January 1999.

18. An additional level of verification was performed to determine if related claimants filed duplicate claims. On 8 May 1998, Kuwait's Public Authority for Assessment of Compensation for Damages Resulting from Iraqi Aggression ("PAAC") was asked to identify the corporate affiliates of claimants that had also filed a claim with the Commission. Based on the information received in response from PAAC and the claim information available to the secretariat in the Claims Database, a review was performed to ensure that related claimants did not file a claim for the same loss. This verification was performed on the entire "E4" population, not just the fourth instalment claims.

19. Pursuant to article 34 of the Rules, the secretariat requested additional information from the claimants in order to assist the Panel in its review of the claims. All such requests were directed through PAAC. With regard to copies of the claimants' audited financial statements or accounts ("accounts"), the secretariat notified PAAC of the claimants that had not provided accounts for the three fiscal years prior to and following Iraq's invasion and occupation of Kuwait. The first notice for accounts was sent to PAAC on 20 April 1998. The second notice was sent on 20 November 1998, noting claimants that had not provided any supplemental accounts. The third notice was sent on 21 January 1999 with regard to claimants that had not submitted accounts for 1987. A final notice, sent on 8 February 1999, concerned claimants that had failed to submit audited accounts for any relevant period.

20. Similarly, with respect to claims for lost vehicles, the claimants were asked on 20 August 1998 to provide drop registration or deregistration certificates, as defined at paragraph 131 of the First "E4" Report, for all vehicles.

21. With respect to claims for uncollectible receivables, the claimants were asked on 24 September 1998 to provide evidence that the debtors cannot pay their debts to the claimants because they (1) have been officially declared bankrupt, or (2) are otherwise out of business as a direct result of Iraq's invasion of Kuwait. (See paras. 78-85, infra).

22. With respect to loss of contract claims, the claimants were asked on 23 October 1998 to provide evidence that the contract had been repudiated or cancelled. The claimants were instructed that the declaration should include the specific circumstances of such repudiation or cancellation including, but not limited to, the date that such event occurred. Claimants that were unable to provide this evidence were asked to explain why. (See paras. 29-35, infra).

23. With respect to claims for the value of cancelled Kuwaiti dinar notes, claimants were asked on 22 December 1998 to provide a detailed schedule, including serial numbers and denominations of the cancelled notes, or an attestation from an independent public accounting firm concerning the amount and serial numbers of the cancelled Kuwaiti dinars held by the claimant. (See paras. 93-94, infra).

24. With respect to the cost of returning employees to Kuwait, the claimants were asked on 6 January 1999 to provide additional information to assist the Panel. (See paras. 87-89, infra).

25. Based on its review of the documents submitted, the Panel concluded that the issues presented by the fourth instalment claims had been adequately developed and that oral proceedings to further explore such issues were not required.

III. LEGAL FRAMEWORK

26. The legal framework for the evaluation of the claims in the fourth instalment is identical to that used for the claims in the first instalment, as described in paragraphs 25-31 of the First "E4" Report.

IV. VERIFICATION AND VALUATION OF CLAIMS

27. The general principles for verifying and valuing the claims in the fourth instalment are identical to those used for the claims in the first instalment. (See the First "E4" Report, paras. 32-62). Where the Panel encountered new issues not addressed in the First "E4" Report, the Panel developed methodologies for verifying and valuing those losses as described below. In summary, the Panel's approach to verification and valuation of claims balances the claimant's inability to always provide the best evidence against the "risk of overstatement". The term "risk of overstatement," as defined at paragraph 34 of the First "E4" Report, is used to refer to cases in which claims contain evidentiary shortcomings that prevent their precise quantification and therefore present a risk that they might be overstated.

V. THE CLAIMS

28. The Panel reviewed the fourth instalment claims according to the nature and type of loss identified. Accordingly, the Panel's recommendations have been set out below by loss type. Reclassified losses have been dealt with in the section pertaining to the loss category into which the Panel reclassified the losses.

A. Contract

29. Six claimants in this instalment asserted claims aggregating KD 629,136 (approximately US$2,176,941) for loss of contract.

1. Compensability

30. The Panel determines whether a contract claim is compensable by evaluating the loss under the appropriate review methodology. Thus, amounts billed under a contract but not received are reviewed as uncollectible receivables. Profits that would have accrued from goods or services to be provided over the remainder of a terminated or repudiated contract are reviewed as loss of profits. (See the First "E4" Report, para. 66).

2. Verification and valuation method

31. The verification and valuation method used by the Panel is the same as that used in the first instalment. (See the First "E4" Report, paras. 77-84).

3. Evidence submitted

32. On 22 October 1998, the secretariat requested additional information from the claimants concerning their contract losses. The claimants with loss of contract claims were asked to provide evidence that the contract had been repudiated or cancelled unless they had already provided this information. The claimants were instructed that the required declaration should include the specific circumstances of such repudiation or cancellation including, but not limited to, the date that such event occurred. Claimants that were unable to provide this evidence were asked to explain why.

33. Combined Building Materials Co. seeks compensation for bank guarantees that expired during Iraq's occupation of Kuwait without payment by the debtor or guarantor. The claimant states that the banks refused to honour the guarantees after the expiration date. However, the claimant did not provide copies of the original bank guarantees (only extensions) and no proof of the banks' refusal to pay was provided. As a result, the Panel recommends disallowing this claim.

34. Boodai Aviation Agencies Co. W.L.L. seeks compensation for certain expenses incurred in order to obtain an agency contract from Iraqi Airways in 1988. These expenses relate to indemnity payments which, according to the claimant, had to be paid to the former Iraqi Airways employees as a pre-condition for being granted the Iraqi Airways agency contract. They also relate to the cost of purchasing a car for the Iraqi general manager of the company operating the Iraqi Airways agency. The claimant states that it expected to recover these expenses over a ten-year period and is claiming for these expenses to the extent that they were not realized by the time of the invasion. (The claimant is seeking compensation for eight tenths of the original expenses as two years had passed since the contract was signed). As a result of the Iraqi invasion, the claimant states that the contract, which had an indefinite term, was terminated. However, because the indemnity payments were made before Iraq's invasion and occupation of Kuwait and were thus a "sunk cost", the Panel recommends disallowing the claim.

35. The Panel's treatment of contract losses can be reviewed in annex II.

B. Real property

36. Twenty-seven claimants in this instalment asserted claims aggregating KD 2,363,340 (approximately USD 8,177,642) for

1. Compensability

37. These claims relate to damage to various freehold and leasehold premises in Kuwait. The compensability standards applied are the same as those used in the first instalment. (See the First "E4" Report, paras. 89-91). As was the case in the first instalment of "E4" claims, most claimants established the fact and nature of damage to their buildings and facilities by providing copies of witness statements, survey reports and photographs. As in the first instalment of "E4" claims, the nature of damage alleged and the location of all the properties in Kuwait established that the damage was a result of military operations and the breakdown of civil order in Kuwait during Iraq's invasion and occupation of Kuwait. Accordingly, the direct causal link between the losses alleged and Iraq's invasion and occupation of Kuwait is sufficiently well established in the fourth instalment claims for loss of real property.

38. All claims were based on the actual costs incurred in repairing the properties or estimates of such costs.

2. Verification and valuation method

39. The verification and valuation method used by the Panel is the same as that used in the first instalment. (See the First "E4" Report, paras. 92-101).

3. Evidence submitted

40. Most claimants submitted copies of title deeds or leases to establish their interest in the affected properties. Where leases were submitted, the secretariat performed additional checks to ensure that no duplicate claims had been filed by owners of the leased properties. The Panel also referred to the claimants' audited accounts to corroborate the claimants' interest in the affected properties.

41. The Panel's treatment of real property losses can be reviewed in annex II.

C. Tangible property

42. Tangible property losses are raised by all but 13 of the claimants in the fourth instalment aggregating KD 24,186,252 (approximately US$83,689,453). The claims for loss of tangible property relate mainly to loss of stock, furniture, fixtures, equipment and vehicles. Other claims in this category relate to loss of cash.

1. Compensability

43. With regard to the compensability of claims for tangible property losses, the Panel applied the same approach taken in the First "E4" Report. (See the First "E4" Report, paras. 108-109).

2. Verification and valuation method

44. As noted in the First "E4" Report, the verification and valuation method adopted varies for stock, cash, vehicles and other tangible property losses. The Panel followed the same verification and valuation method as used in the First "E4" Report. (See the First "E4" Report, paras. 110-135).

(a) Loss of stock

45. International Equipment Co. ceased operating in 1989, but seeks compensation for loss of stock totalling KD 13,531. It reports gross stock in its audited accounts in 1988 and 1989 of KD 14,672 and KD 13,882 respectively. The claimant reports a provision in its audited accounts for obsolescence equal to 100% of the gross stock balance for both years. The claimant reports no purchases of stock in 1988 or 1989. Accordingly, on this basis, the Panel recommends disallowing the claim.

(b) Loss of vehicles

46. The Panel encountered one claimant that duplicated another claim filed with the Commission. Mohammed Al Rifai Co. seeks compensation for the loss of vehicles. A review of the deregistration certificates showed that three of the cars were not in the name of Mohammed Al Rifai Co., but in the name of one of the claimant's owners. A cross check within the secretariat's records revealed that the owner had submitted duplicate claims for two of these three cars to the category "C" claims Panel. Therefore, the Panel recommends disallowing the overlapping portion of the claim.

3. Evidence submitted

(a) Tangible property

47. Most claimants in this instalment submitted audited accounts to establish the existence, ownership and value of the tangible assets damaged or lost as a direct result of Iraq's invasion and occupation of Kuwait. In establishing the fact and cause of loss, claimants relied on assertions in their statement of claim and witness statements. These assertions were generally corroborated by additional documents, such as photographs and independent survey reports. The Panel also relied on the claimants' post-liberation audited accounts. These accounts showed the losses of tangible property as extraordinary losses incurred as a direct result of Iraq's invasion and occupation of Kuwait, and as such provided additional independent verification of the loss.

48. Many claimants sought to value their losses using estimated repair or replacement costs. As in the case of similar real property claims, such claims were found to present a "risk of overstatement" if the claimant did not provide sufficient evidence explaining why it had not repaired or

replaced the assets concerned. In some cases the Panel was able to rely on the claimant's post-liberation accounts to determine whether the claimant had subsequently repaired or replaced the affected assets.

(b) Stock

49. For most claimants, the existence, ownership and value of stock lost was supported by copies of the claimants' audited accounts, original inventory purchase invoices and "roll-forward" calculations, as defined in paragraph 119 of the First "E4" Report.

50. As was the case for the first instalment of "E4" claims, successful claims for loss of goods in transit related to goods that were in Kuwait on the day of Iraq's invasion and that were subsequently lost. These claimants were able to establish the ownership, existence and loss of the goods by providing certificates issued by the Kuwaiti port authorities or shipping agents.

51. The Panel found that several Kuwaiti co-operative society claimants were holding levels of stock at the time of Iraq's invasion and occupation of Kuwait that were materially higher than the average levels of stock held by such claimants at the end of previous fiscal years. The Panel found that such a stock build-up was justified in the majority of cases, as there was a documented increase in demand around the month of August, to cater to Kuwaiti residents returning from their summer vacations. However, where the level of stock build-up was higher than an amount justified by the documented increase in demand, the Panel adjusted the claim to the average stock levels justified by the increase in demand.

(c) Cash

52. As was the case for the first instalment of "E4" claims, successful claimants alleging cash losses were able to substantiate their claims by providing, among other things, contemporaneous records establishing cash held on 2 August 1990, such as previous month-end cash balances, copies of daily bank deposit statements, cash-flow registers and monthly sales ledgers.

53. Claimants for whom no award has been recommended generally relied on witness statements, without providing sufficient additional documents to substantiate their claims.

(d) Vehicles

54. Virtually all claimants were able to establish their ownership of lost vehicles, on the date of the loss, by providing copies of the deregistration certificates issued by the Government of Kuwait. The fact of loss was generally established by the deregistration certificates together with additional substantiating documents such as witness

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statements describing the circumstances of the loss and post-liberation audited accounts recording the loss of vehicles as an extraordinary item.

55. Where the claimants did not provide deregistration certificates or where the name of the owner in the deregistration certificate could not be linked to the claimant or its owners, directors or employees, the Panel recommends disallowing the claim.

56. The asserted values of the vehicles lost were separately verified by the Panel against vehicle values contained in the M.V.V. Table, as defined at paragraph 135 of the First "E4" Report, or, for vehicles not listed in the M.V.V. Table, against other third party estimates. In the case of third party estimates, the Panel tested these estimates by applying alternative valuation methods such as the net book value and depreciated replacement cost methods.

57. The Panel's treatment of tangible property losses can be reviewed in annex II.

D. Payment or relief to others

58. Five claimants in this instalment asserted claims aggregating KD 277,835 (approximately US$961,367) for payment or relief to others. These claims include payments made to employees to return to Kuwait after Iraq's invasion and occupation and termination benefits paid to non-Kuwaiti employees who lost their jobs as a direct result of Iraq's invasion and occupation of Kuwait. Some claimants also seek compensation for the value of goods and cash that were freely distributed to the general public in Kuwait during the occupation period.

1. Compensability

59. The Panel followed the same approach taken in the First "E4" Report, (see paras. 153-154), with the addition of the items noted below.

60. For amounts claimed as compensation for the free distribution of goods, the Panel finds that such distributions were of a voluntary nature. The goods were not lost as a direct result of Iraq's invasion and occupation of Kuwait, but because of the claimants' volitional act. In addition, some claimants did not record a complete loss of stock, so it cannot be said that the goods would have been lost even if they were not given away. Hence, the Panel finds that the volitional distribution of goods such as those made by the Jabriya Co-Operative Society are not compensable.

61. In respect of termination indemnities, i.e., amounts paid pursuant to an employment contract terminated during Iraq's invasion and occupation of Kuwait, the Panel finds that the losses arising from the payment of those termination indemnities, are, in principle, a compensable loss that is a direct result of Iraq's invasion and occupation of Kuwait. The Panel

considered the effect of the invasion and occupation of Kuwait on the employment contracts of non-Kuwaiti employees, and considered two memoranda adopted by the Kuwaiti Council of Ministers entitled "The impact of the Iraqi invasion of the State of Kuwait on Government contracts and the Legal Status of those who work for the Government of Kuwait". The Panel notes that the memoranda, which were enacted as Order Number 148 of 27 January 1991 of the Kuwaiti Council of Ministers, concluded that the contractual relationship between the Government and non-Kuwaiti workers was governed by the rules applicable to contractual obligations generally and hence such employment contracts were automatically terminated by reason of force majeure. The Panel finds that the general principles set out in the memoranda may equally be applied to the status of employment contracts between private-sector Kuwaiti employers and non-Kuwaiti employees. Hence, the Panel concludes that the termination of the employment contracts of non-Kuwaiti employees was a direct result of Iraq's invasion and occupation of Kuwait. (See Governing Council decision 9 (S/AC.26/1992/9), para. 10).

62. The Panel then considered the statutory entitlements of non-Kuwaiti employees upon termination of their employment contracts, as set out in Kuwaiti Law Number 38 of 1964. The Panel finds that the termination of the employment contracts of non-Kuwaiti employees triggered the liability of the claimants to make the statutory indemnity payments. The Panel finds that amounts claimed in respect of termination indemnities should be compensated to the extent that they are incremental, i.e., they are above and beyond the usual costs incurred by the claimant for that type of expense, and are adequately supported by documentary or other evidence of payment. In particular, the claimant was required to provide evidence of the following:

(a) the fact of payment;

(b) the name of each employee for whom a claim for reimbursement is made; and

(c) proof that the individuals receiving such payments were employees of the claimant at the time of Iraq's invasion and occupation of Kuwait.

63. The Panel directed the secretariat to perform a cross-check to determine that the employees concerned did not also file a claim for payment of these indemnities.

2. Verification and valuation method

64. The verification and valuation methodology adopted by the Panel for claims relating to payment or relief to others is the same as set forth at paragraphs 155-157 of the First "E4" Report. In addition, for claims relating to termination indemnities, the Panel verifies that the individuals receiving payments were employees of the claimant at the time of Iraq's invasion and occupation of Kuwait, by reference to employment contracts, payroll records, or other appropriate documentary evidence.

3. Evidence submitted

65. The Middle East Electric Co. W.L.L. submitted a claim for termination indemnity payments and provided sufficient evidence as noted above to support the claim. Therefore, the Panel recommends allowing the claim.

66. The Panel's treatment of the payment or relief to others claims can be reviewed in annex II.

E. Loss of profits

67. One-hundred claimants in this instalment asserted claims aggregating KD 10,498,829 (approximately US$36,328,128) for loss of profits.

1. Compensability

68. Four significant legal and factual issues raised by the first instalment claims are all raised by the fourth instalment claims. These issues relate to the impact and assessment of (a) benefits received under the Government of Kuwait's post-liberation debt settlement programme, (b) windfall or exceptional profits earned by claimants in the period immediately following the liberation of Kuwait, (c) the indemnity period for loss of profits claims, and (d) claims for loss of profits selectively based on profitable lines of business. The conclusions reached by the Panel in relation to these issues are set forth in paragraphs 161-193 of the First "E4" Report. The Panel has applied these conclusions, in its consideration and recommendations, for the loss of profits claims in the fourth instalment.

2. Verification and valuation method

69. The fourth instalment claims were verified and valued by the Panel in the same manner as the first instalment claims. (See the First "E4" Report, paras. 194-202).

3. Evidence submitted

70. Despite several requests for accounts, a number of claimants in the fourth instalment failed to provide annual accounts for the period 1987-1993. The Panel notes that, in some cases, the failure to submit some of

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the accounts was sufficiently explained, for example, where the claimant had commenced trading in the period between 1987 and 1989 or where the claimant had ceased trading following Iraq's invasion and occupation of Kuwait.

71. Loss of profits claims by businesses that failed to provide a full set of annual audited accounts for the period 1987-1993 were regarded as presenting a "risk of overstatement", unless the failure to submit the accounts was sufficiently explained.

72. The Panel encountered some claims that it recommends disallowing entirely for lack of sufficient evidence. The Kazima Trading Co. provided no accounts from before or after the invasion and occupation of Kuwait. Although the claimant explains that it was a partnership and was not required to maintain audited accounts, it did not sufficiently explain why it provided no accounts or alternative historical records at all. Likewise, where audited accounts from the three years prior to the invasion were not provided by claimants that were required under Kuwaiti law to maintain such accounts, the Panel recommends disallowing the claim on the grounds that sufficient evidence of the loss has not been provided.

73. Equipment Co. W.L.L. seeks compensation for the loss of profits associated with several contracts. The claimant operated at a net loss for the three-year period prior to the invasion of Kuwait. Accordingly, the Panel recommends disallowing the loss of profits claim.

74. As noted in the First "E4" Report, "[a] claim for loss of profits cannot be solely based on revenues lost. It must be matched with corresponding expenses". (See First "E4" Report, para. 197). Therefore, the Panel evaluates claims for staff salaries and other expenses by reclassifying them to loss of profits. Ashraf & Co. Ltd, for example, seeks compensation for salary expenses incurred. The claimant, however, operated at a net loss for the three-year period before the invasion, so the Panel recommends disallowing the claim. Similarly, Al Ghanim Specialities recorded a net loss on its 1989 audited accounts; accordingly, the Panel recommends disallowing its claims for salary, bonus payments and rental expenses. The Middle East Electric Co. W.L.L. did not submit a loss of profits claim, but seeks compensation for its salary expenses incurred for the period of Iraq's invasion and occupation of Kuwait. The salary expenses were recategorized by the Panel as a claim for loss of profits and the Panel recommends an award after applying the loss of profits methodology.

75. The Panel also encountered claimants that began operations shortly before the invasion. In support of its loss of profits claim, United Maintenance Equipment Co. W.L.L. provides the results of only five months of pre-invasion operations. Based on the evidence provided, the Panel recommends allowing a portion of the claim.

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76. Ajal Contracting & General Trading Co. W.L.L. submitted a claim for the loss of rental income. It stated that construction on the apartment building was completed in July 1990 and that it was in the process of advertising for tenants when the invasion occurred. None of the units were leased as of the date of the invasion. The profit element from the rental contracts was not determinable from the post-liberation accounts. The Panel recommends disallowing the claim as too speculative.

77. The Panel's treatment of loss of profits can be reviewed in annex II.

F. Receivables

78. Thirty-three claimants in this instalment asserted claims aggregating KD 5,365,235 (approximately US$18,564,827) for uncollectible receivables or "bad debts". The majority of these claims are for amounts owed by businesses or individuals located in Kuwait prior to Iraq's invasion.

1. Compensability

79. As with the first instalment of "E4" claims, most claimants sought compensation for debts that remained uncollected because debtors had not returned to Kuwait after liberation. The issue raised is whether the uncollected debt had become uncollectible as a direct result of Iraq's invasion and occupation of Kuwait.

80. The Panel reiterates the "E4" Panel's determination on this issue as set out at paragraph 209 of the First "E4" Report, namely that claims for debts that have become uncollectible as a direct result of Iraq's invasion and occupation of Kuwait should demonstrate, by documentary or other appropriate evidence, the nature and amount of debt in question and the circumstances that caused the debt to become uncollectible.

81. Under this category of loss, Combined Building Materials seeks compensation for "war discounts" it gave to debtors in order to collect its debts. Debtors were told that if they paid, for example, 50 per cent of their debt, the remaining portions would be written off. The Panel finds that claimants should not be compensated for providing such war discounts to debtors. A claimant's decision to grant a war discount is the result of an independent business decision that breaks the causal link. Although it is an attempt to mitigate losses, it would be difficult to determine which of the claimant's bad debts could not have been collected without resort to war discounts and which of those debts were a direct result of Iraq's invasion and occupation of Kuwait. War discounts to collect the bad debts might also be viewed as a result of the "chaotic economic situation following Iraq's unlawful invasion and occupation of Kuwait", (Governing Council decision 15, (S/AC.26/1992/15) para. 5), and the Panel therefore determines that such losses are not the direct result of Iraq's invasion and occupation of Kuwait.

2. Verification and valuation method

82. The fourth instalment claims for uncollectible receivables were verified and valued in the same manner as the first instalment claims. (See the First "E4" Report, paras. 211-215). Few claims satisfied the criteria established in the First "E4" Report. Specifically, the claimants failed to provide evidence to demonstrate that their debtors' inability to pay was a direct result of Iraq's invasion of Kuwait. This shortcoming was brought to the attention of the claimants by the secretariat through PAAC as described below.

83. On 24 September 1998 the secretariat requested PAAC to ask the claimants with bad debt claims (who have not already done so) to provide evidence that the debtors cannot pay their debts to the claimants because they (a) have been officially declared bankrupt, or (b) are otherwise out of business as a direct result of Iraq's invasion of Kuwait. In response, one claimant, Boodai Aviation Agencies Co., provided a letter from the Kuwait Travel and Tourism Agencies Association ("KTTAA") noting that several of its travel agency debtors had not resumed their membership with the KTTAA after the liberation of Kuwait. The Panel found that this letter was insufficient evidence. Therefore, at the Panel's request in March 1999, the secretariat asked the KTTAA through PAAC if such membership was a condition for doing business in Kuwait. KTTAA did not respond; therefore, the Panel recommends disallowing the claim.

3. Evidence submitted

84. As discussed above, the Panel disallows claims that rely on mere assertions that uncollected debts are *ipso facto* uncollectible because the debtors did not return to Kuwait. For claims in this instalment that the Panel recommends disallowing, there is insufficient evidence supporting the debtors' inability to pay the debt or of any attempt to recover the debt. For example, Kuwait Electronics Co. Ltd provides a letter from its attorney "confirming" the amount of bad debts claimed and "confirming" that certain debtors were suffering financial difficulties and were unable to pay their debts. The Panel finds that this evidence is insufficient.

85. The Panel's treatment of uncollectible receivables can be reviewed in annex II.

G. Restart costs

86. Nine claimants in this instalment asserted claims aggregating KD 76,823 (approximately US$265,824) for restart costs. The amounts claimed as restart costs have been reviewed using the existing methodology. Thus, the Panel verifies whether the claim is supported by proof of payment for the items claimed. In this regard, the Panel looks for similar evidence of payment to that required in the case of claims for payment or relief to others. The Panel disallows amounts claimed that are not supported by sufficient documentary evidence to prove that payments were

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actually made by the claimant. The Panel then verifies whether the cost is an incremental cost to the claimant, i.e., in excess of costs normally incurred by the claimant for this type of expense. Finally, the Panel considers whether the claimant has taken appropriate steps to mitigate its loss.

87. Specifically, the Panel encountered claims in this category for returning employees to Kuwait. With regard to these claims, the Commissioners agreed in principle that these losses are the direct result of Iraq's invasion and occupation of Kuwait as it was reasonable that evacuated employees would need to be returned to Kuwait for the claimant to mitigate its losses.

88. With respect to the cost of returning employees to Kuwait, the Panel determined that the claimant should be compensated only if the following criteria are met. First, the cost must appear reasonable. Second, the claimant must provide evidence as to which specific employees were returned to Kuwait, i.e., the employees civil identification numbers and proof of employment at the time of Iraq's invasion and occupation of Kuwait, such as payroll records. Third, adequate documentary support must accompany the claim, for example, ticket receipts. Fourth, it must be established that the employees did not submit the same claim to the Commission. Finally, the payment should not appear to be in the form of a loan to the employee.

89. The claimants were asked by the secretariat through PAAC on 6 January 1999 to provide this information. Those claims for returning employees which the Panel recommends disallowing, failed to respond to this request or otherwise provide this information.

90. In the case of Rezayat Trading Co., the claimant seeks reimbursement for the costs associated with terminating the leases of certain of its tenants after liberation. Because its corporate office space had been destroyed, it needed to use the space which it had previously leased to others. Rezayat Trading Co. compensated the tenants it vacated for the cost of fixtures and partitions which the tenants had added to the leased premises, but which could not be removed, and now seeks compensation for these costs. It claimed that this expenditure was necessary to restart its business and thereby mitigate its loss of profits claim. The Panel found that this loss was a direct result of Iraq's invasion and occupation of Kuwait.

91. The Arab Information Technology Co. Ltd. seeks compensation for expenses it states are associated with restarting its business, including the cost of recruiting a new employee, hotel costs, airfare, and visa charges. The claimant did not provide sufficient evidence to show that this loss was the direct result of Iraq's invasion and occupation of Kuwait; therefore, the Panel recommends disallowing the claim.

92. The Panel's treatment of restart costs can be reviewed in annex II.

H. Other losses

93. Claimants, including Kuwaiti co-operative societies, seek compensation for losses suffered as a result of their receipt of cancelled Kuwaiti dinar currency notes. These notes were received by the claimants that continued to operate during Iraq's occupation of Kuwait. The Central Bank of Kuwait has refused to exchange the cancelled Kuwaiti dinar currency notes on the grounds that their serial numbers indicate they are part of a batch of Kuwaiti dinar currency notes that were cancelled by the Government of Kuwait as a result of their misappropriation by Iraqi officials when they seized control of the Central Bank of Kuwait. The Panel finds that there is a direct link between the theft and circulation of the cancelled Kuwait dinar currency notes by Iraqi officials and the loss incurred by the claimants. Therefore, the Panel finds that such losses are compensable in principle. However, compensability of such claims is subject to the submission of sufficient evidence supporting the fact of and circumstances surrounding the loss. In particular, the claimant must:

(a) establish the circumstances under which the cancelled Kuwaiti dinars came into its possession; and

(b) provide the serial numbers of the claimed cancelled Kuwaiti dinars or an attestation from an independent public accounting firm certifying the amount and serial numbers of the cancelled Kuwaiti dinars held by the claimant, and, when requested, permit inspection by the Commission of the cancelled dinars in its possession.

94. The Panel finds that if a claimant was trading during Iraq's invasion and occupation of Kuwait, and the claimant asserts that it received the cancelled Kuwaiti dinar currency notes in the usual course of its business during that period, these facts will be sufficient to establish the circumstances under which the cancelled Kuwaiti dinars came into the claimant's possession. Because sufficient evidence was provided, the Panel recommends allowing the cancelled Kuwaiti dinar claims of Al Ahlia Air Conditioning Trading and Construction Co., Jabriya Co-Operative Society and Al Surrah Co-Operative Society.

95. Claimants, including Kuwaiti co-operative societies, also seek compensation for losses incurred when they were forced to accept Iraqi dinars for products sold during Iraq's invasion and occupation of Kuwait, at an exchange rate of one Iraqi dinar to one Kuwaiti dinar. The claimants seek compensation for the difference in the value of the Iraqi dinars obtained for their sales during the occupation period, and the value of the same Iraqi dinars prior to Iraq's invasion of Kuwait. The difference in value is based on the estimated exchange rate or "market rate" between the Kuwaiti dinar and Iraqi dinar immediately prior to the invasion.

96. The Panel considered evidence that during the occupation period, the Iraqi authorities issued a resolution withdrawing the Kuwaiti dinar from circulation and requiring the exclusive use of the Iraqi dinar in all

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transactions in Kuwait. The Panel also considered evidence that during Iraq's invasion and occupation of Kuwait, the Government of Iraq issued a directive imposing an exchange rate of 1:1 between the Kuwaiti dinar and the Iraqi dinar. The Panel finds that losses arising as a result of these directives and the application of an exchange rate of one Kuwaiti dinar to one Iraqi dinar are compensable as losses directly relating to Iraq's invasion and occupation of Kuwait. Because sufficient evidence was provided, the Panel recommends awards for Jabriya Co-Operative Society and Al Surrah Co-Operative Society.

97. As to the quantification of such losses, the Panel finds that the pre-invasion exchange rates for the two currencies should be used to determine the amount of compensation to be awarded. In order to determine the pre-invasion exchange rates for the two currencies, the Panel considered information from a number of sources, including the report to the Secretary-General by a United Nations Mission, led by former Under-Secretary-General Mr. Abdulrahim A. Farah (the "Farah Report"). The Farah Report documents an unofficial exchange rate or "market rate" of "about 10 to 12 Iraqi dinars to a Kuwaiti dinar" in July 1990 (see page 81, para. 513 of the Farah Report). The Panel also considered the E Claims Summary Report to the Commission submitted by PAAC (the "PAAC Report"), which states that prior to Iraq's invasion and occupation of Kuwait, the Iraqi dinar was valued at .08917181 Kuwaiti dinar to one Iraqi dinar, in other words, approximately 11 Iraqi dinars to a Kuwaiti dinar. The Panel also considered the official exchange rate at 1 August 1990 as stated in the United Nations Monthly Bulletin of Statistics, Vol. XLIV, No. 12 (December 1990), which gives an exchange rate of approximately one Kuwaiti dinar to one Iraqi dinar. The claimants themselves provide varying exchange rates. In view of the different exchange rates observed by the Panel as described above, the Panel wishes to adopt an exchange rate that reflects the commercial reality of doing business in Kuwait prior to Iraq's invasion and occupation, and is fair and reasonable, taking into account all the relevant sources of information. The Panel therefore adopts an exchange rate of six Iraqi dinars to a Kuwaiti dinar for the purpose of the verification and valuation of these claims.

98. Alomar Mechanical Engineering Co. seeks compensation for the bank charges associated with the opening and cancellation of eleven letters of credit that it states were cancelled as a direct result of Iraq's invasion and occupation of Kuwait. The claimant did not demonstrate that the amounts claimed are extraordinary amounts, i.e., that they constitute incremental costs over and above similar costs normally incurred in the course of its business. The Panel therefore recommends disallowing the claim on evidentiary grounds.

99. Limited Plastic Co. W.L.L. seeks compensation for bribes allegedly given to the Iraqis to protect its assets during Iraq's invasion and occupation of Kuwait. On both an evidentiary basis and on the basis that such volitional payments are not the direct result of Iraq's invasion and occupation of Kuwait, the Panel recommends disallowing the claim.

100. Al Ahlia Air Conditioning Trading and Construction Co. seeks compensation for depreciation on its fixed assets incurred during Iraq's invasion and occupation of Kuwait. The Panel recommends disallowing claims for depreciation as normal expenses incurred in the course of operation. (See para. 74, supra). Likewise, Abdul Mohsin Sadiq & Hussain Ebrahim Co. seeks compensation for "key money", paid for the right to lease two of the claimant's premises. The claimant stated that, because of Iraq's invasion and occupation of Kuwait, it lost the receipts evidencing the payment of these amounts. The claimant stated that it was forced to rent new premises as the building where its former premises were located was not repaired, and thus it is claiming for the loss of the "unused and undepreciated portion of the leasehold rights". The Panel recommends disallowing the claim for lack of sufficient evidence to substantiate the claimed loss.

101. Al Athla Travel Agency seeks compensation for travellers cheques taken from its safe. It stated that the travellers cheques were purchased from an exchange company run by a company that is in liquidation. Furthermore, it states it lacked the serial numbers for the travellers cheques. The Panel recommends disallowing the claim for the lack of sufficient evidence and because the claimant has not demonstrated that the liquidation was a direct result of Iraq's invasion and occupation of Kuwait.

102. Boodai Aviation Co. W.L.L. seeks compensation for the cost of "half price European coupon books" which were stolen. The claimant provided insufficient information for the Panel to determine what the "coupon books" were. Other than an affidavit, the claimant did not provide information to value the cost of the coupon books. The Panel recommends disallowing the claim.

103. Rezayat Trading claimed compensation for prepaid expenses, including rent paid in advance for months during the occupation of Kuwait. The Panel noted that such payments are "sunk" costs that were incurred prior to Iraq's invasion and occupation of Kuwait. Furthermore, the Panel notes that any such damages suffered by the claimants in this regard (e.g., profits lost due to the claimants' inability to use their premises) should be reflected in a claim for loss of profits. The Panel applied this same approach in its analysis of other claims for prepaid expenses. Accordingly, the Panel finds that such claims are not compensable.

104. The Panel's treatment of other losses can be reviewed in annex II.

VI. OTHER ISSUES

A. Applicable dates for currency exchange rate and interest

105. In relation to determining the applicable dates for the currency exchange rate and interest, the Panel adopts the same approach used in the First "E4" Report. (See the First "E4" Report, paras. 226-233).

B. Claim preparation costs

106. The Panel has been informed by the Executive Secretary of the Commission that the Governing Council intends to resolve the issue of claim preparation costs in the future. Accordingly, the Panel makes no recommendation with respect to compensation for claim preparation costs.

VII. RECOMMENDED AWARDS

107. Based on the foregoing, the awards recommended by the Panel for claimants in the fourth instalment of "E4" claims are set out in annex I to this report. The underlying principles behind the Panel's recommendations on claims in this instalment are summarized in annex II to this report. Because of rounding, the amounts may vary from the amount stated on Form E by 1 KD.

Geneva, 16 June 1999

(Signed) Luiz Olavo Baptista
Chairman

(Signed) Jean Naudet
Commissioner

(Signed) Jianxi Wang
Commissioner

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Annex I

Recommended awards for fourth instalment of "E4" claims

Reported by UNSEQ and UNCC claim numbers and claimant name

UNSEQ claim No. */	UNCC claim No.	Claimant's name	Amount claimed (KD)	Net amount claimed (KD) **/	Amount recommended (KD)	Amount recommended (US$)
E-00199	4003345	Al Sawari General Trading & Contracting Co. W.L.L.	225,902	225,180	95,107	329,090
E-00201	4003346	Mishary Al Khalid & Partners Int. Co. W.L.L.	1,289,322	1,282,117	0	0
E-00202	4003347	Ashraf & Company Limited	1,155,306	1,022,812	425,196	1,471,266
E-00203	4003348	Melwani & Company W.L.L.	338,140	303,958	140,249	485,263
E-00204	4003349	Shabib Alagmi & Sons Trading and Contracting Company	385,754	349,314	159,912	552,957
E-00205	4003350	Sports Boy Co. W.L.L.	113,092	101,251	77,608	268,540
E-00206	4003351	Sabah & Flaah Electronic Co.	153,265	137,537	8,423	29,145
E-00207	4003352	The Golden Sword Co. for Refrigeration, Air-Conditioning & Electricity W.L.L.	676,172	620,848	328,029	1,134,549
E-00208	4003353	Alomar Mechanical Engineering Co.	192,192	191,920	170,956	591,518
E-00209	4003354	Al Abdaly Agricultural Co-operative Society	722,412	719,412	287,457	993,790
E-00210	4003355	Al Rashied and Al Othman Gen. Trad. & Contracting Company	577,583	576,664	466,790	1,614,801
E-00211	4003363	Makki & Daher Trading Co.	122,136	122,136	53,794	186,138
E-00212	4003364	Salman Abdulla Jassim Al Dabous Commercial Industrial Company	58,483	55,983	15,026	51,993

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UNSEQ claim No. */	UNCC claim No.	Claimant's name	Amount claimed (KD)	Net amount claimed (KD) **/	Amount recommended (KD)	Amount recommended (US$)
E-00213	4003365	Al Mubarak Center General Trading & Contracting Company	312,503	282,490	109,510	378,849
E-00214	4003366	Kuwait Danish Computer Company SAK	1,024,242	1,019,242	256,034	885,930
E-00215	4003367	Al Baghli Textile Co.	420,957	364,645	211,345	731,104
E-00217	4003369	Al Medan Sanitary Ware Trading Co. W.L.L.	141,826	141,826	107,358	371,481
E-00218	4003370	Kuwait Electronics Co., Ltd.	756,841	754,841	353,407	1,222,862
E-00219	4003371	Saffar & Atawi Readymade Garments Company	214,342	213,342	94,066	325,187
E-00220	4003372	Gulf Sea for Furniture & Furnishing Company	129,644	116,128	51,660	178,529
E-00222	4003320	United Trading Group Company (Saleh Al Fahed Al Sabah & Partners) W.L.L.	627,000	625,500	134,880	466,713
E-00223	4003321	Taqaddom Al Kuwaiti Jewellery Company /Zaleekha Mahmoud Al Jassim Partner W.L.L.	106,844	106,844	82,354	284,962
E-00224	4003322	Kuwait National Real Estate Services Co.	284,143	281,253	142,573	493,033
E-00225	4003323	United Company for Distribution of Newspapers and Publications	107,680	95,804	61,872	213,868
E-00226	4003324	Al-Anazy Stationery Company	21,317	21,317	4,560	15,779
E-00227	4003325	Misha'al Al-Adwani Trading Co.	93,960	93,960	60,930	210,830
E-00228	4003326	Burgan Brick And Tiles Mfg. Co./ Abdol Hadi Ahmad Al-Dosari & Partners W.L.L.	315,621	299,510	196,492	679,411
E-00229	4003327	Al Jeel Trading Company W.L.L.	193,344	166,282	69,473	240,391
E-00230	4003328	Al-Athla Trading & Contracting Co. W.L.L.	243,746	242,246	100,275	346,663
E-00231	4003329.	The Sons of Khalifah Al-Ghanim Trading Company	35,196	33,696	26,156	90,505

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UNSEQ claim No. */	UNCC claim No.	Claimant's name	Amount claimed (KD)	Net amount claimed (KD) **/	Amount recommended (KD)	Amount recommended (US$)
E-00232	4003330	Kuwait Business Forms Company	223,628	219,628	92,383	319,664
E-00233	4003331	Al Salboukh Trading Co.	839,461	783,932	466,510	1,613,255
E-00234	4003373	Shareff Textile Exhibition Company	72,598	70,980	43,761	151,352
E-00235	4003374	International Equipment Company	17,752	16,752	0	0
E-00236	4003375	Limited Plastic Company	386,572	384,572	341,557	1,178,167
E-00238	4003376	Abdul Aziz Abdul Mohsen Al-Rashed Sons Real Estate Co.	51,443	48,943	12,918	44,653
E-00239	4003377	Hungaro-Kuwait Trading Co.	24,986	23,786	23,786	82,044
E-00241	4003378	Shalimar Store Co. Ltd.	191,327	172,367	87,551	302,945
E-00242	4003379	Al Nahda Marble Co./ Naser Abdul Hussein Al Meqwar and Partner W.L.L.	231,955	231,477	195,108	674,867
E-00243	4003380	Al Gallaf & Al-Bazzaz Co. for Paints Constructional Materials, Paints, Contracting, Import & Export	29,631	28,131	16,819	58,062
E-00244	4003381	Good Earth Trading Company - Sa'ad Bilal Humood & Partner W.L.L.	327,826	325,326	176,123	609,422
E-00245	4003382	Abdul Ghani Al Mutawa Sons Co. W.L.L.	397,267	356,827	231,137	798,076
E-00246	4003383	Al Sayadoun Trading Co.	48,050	47,550	35,232	121,910
E-00247	4003384	General Trading Company for Manufacturing Adhesives Ltd.	362,343	357,343	199,026	688,250
E-00248	4003385	Al-Rayah Real Estate Company	524,224	524,224	172,780	597,235
E-00249	4003386	Al-Jabri Factory Co. for Cement Blocks W.L.L.	326,415	326,415	164,520	568,995
E-00250	4003387	Zahrat Nables Sweet Co.	59,058	52,366	24,468	84,418

UNSEQ claim No. */	UNCC claim No.	Claimant's name	Amount claimed (KD)	Net amount claimed (KD) **/	Amount recommended (KD)	Amount recommended (US$)
E-00251	4003388	Trade Organization Group W.L.L.	126,844	109,688	57,186	197,875
E-00252	4003389	Al Khanna & Benmlih Company	659,924	658,424	426,401	1,475,436
E-00253	4003390	Askar Mashal Co. for Binding Books	105,950	105,950	13,946	48,155
E-00254	4003391	Abdallah Al-Saad General Trading & Contracting Co.	78,366	78,366	32,620	112,752
E-00255	4003392	Peace Towers Co.	14,900	14,900	0	0
E-00256	4003393	Al Jehad Auto Spare Parts & Auto Tyres Co.	913,040	829,301	252,794	874,720
E-00258	4003395	Al Safaa for Selling, Buying & Renting Cars Co. W.L.L.	120,410	120,410	115,874	400,948
E-00259	4003396	Al-Mesk Mech. and Elect. Equip. Co. W.L.L.	13,072	13,072	8,497	29,401
E-00260	4003397	Al Jeel Reprographic Industries W.L.L.	96,098	79,846	5,658	19,578
E-00261	4003398	Hemdh General Trd. & Contracting Co.	52,532	52,532	32,305	111,590
E-00263	4003399	Gulf International Carpet & Furniture Co. W.L.L.	831,658	828,908	546,352	1,889,786
E-00265	4003400	Combined Building Materials Co. W.L.L.	1,574,247	1,286,206	58,628	202,865
E-00267	4003402	Readymix Concrete Company W.L.L.	853,836	726,575	246,389	851,717
E-00268	4003403	Nasser Industrial Trading and Contracting Co.	90,290	90,089	56,572	195,326
E-00269	4003404	The Elegant Company for Textiles	1,004,425	1,003,225	589,112	2,038,450
E-00270	4003405	Rihab Gulf Gen. Trading & Contracting Co.	565,341	565,341	324,421	1,121,322
E-00271	4003406	Kazima Trading Co.	26,709	26,709	1,847	6,391
E-00272	4003407	Kuwait Al Soqoor for Security & Protection, Abdal Wahab Almezaien Partners Ltd.	39,208	39,208	36,697	126,979

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UNSEQ claim No. */	UNCC claim No.	Claimant's name	Amount claimed (KD)	Net amount claimed (KD) **/	Amount recommended (KD)	Amount recommended (US$)
E-00273	4003408	Swiss Watches Store Company	529,225	522,725	236,372	817,536
E-00274	4003409	Universal Electronics Company (Adawliah)	140,443	139,922	20,300	70,242
E-00275	4003410	Mohammed Al-Rifai Co.	181,893	180,651	25,446	88,008
E-00276	4003411	Jumana Trading & Cont. Company	125,553	125,553	81,126	280,692
E-00277	4003412	Al Nakhba Co. for Bldgs Maintenance/ Mubarak Hamdan Al Harbi and Co.	49,441	49,441	26,395	91,284
E-00278	4003413	Industrial Metal Center Co. W.L.L.	321,486	320,486	265,439	917,510
E-00280	4003415	International Engineer for Electrical Trading & Contracting Company W.L.L.	25,110	23,610	11,255	38,945
E-00281	4003416	Al-Ebrahim Cars Co. W.L.L.	178,142	176,652	126,531	437,737
E-00282	4003417	Equipment Company W.L.L.	648,311	645,025	315,010	1,090,000
E-00283	4003418	Northern Gulf Trading Company	835,439	709,855	498,179	1,723,803
E-00284	4003419	Al Ahlia Air-Conditioning Trading & Contr.Co	650,978	596,208	90,883	314,474
E-00285	4003420	Gargour Arabian Gulf Co. W.L.L.	261,277	257,777	152,689	528,336
E-00286	4003421	Al Bustan National Trading Co. W.L.L.	495,193	493,893	142,893	494,341
E-00287	4003422	Al Ghanim Specialities	303,612	300,326	129,150	446,886
E-00288	4003423	Kuwait Stationeries Company Limited Mohammed Ahmed Sou'ud Al Khalid & Brothers & Partners	170,190	167,190	132,026	456,608
E-00289	4003424	Abdul Samad & Abdul Aziz Habib Trading Co	31,930	27,553	22,980	79,516
E-00291	4003425	Al-Athla Travel Agency	135,026	134,026	68,206	235,848
E-00292	4003426	Suad Trading Co. W.L.L.	227,904	226,404	132,079	456,625

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UNSEQ claim No. */	UNCC claim No.	Claimant's name	Amount claimed (KD)	Net amount claimed (KD) **/	Amount recommended (KD)	Amount recommended (US$)
E-00293	4003427	Works & Building Co.	215,726	214,297	101,186	350,125
E-00295	4003428	Al Zahim Industries, Contracting & General Transport Co.	617,436	565,538	376,142	1,300,784
E-00296	4003429	Al Duaij & Al-Sedrawi/ Ibrahim Abdul Rahman Al Duaij and Partners W.L.L.	984,920	982,720	351,377	1,215,837
E-00297	4003430	Al-Thaqeb Trading Co.	426,900	426,900	157,694	545,402
E-00298	4003431	Arab Western Industries Company	199,536	197,786	100,212	345,658
E-00299	4003432	United Maintenance Equipment Company	124,659	109,319	5,571	19,216
E-00300	4003433	Arab Information Technology Co. Ltd. Abdul Mohsen F. Al Nafisi & Partners Ltd.	83,044	68,785	45,004	155,723
E-00301	4003434	Eastern Group Trading Equipment & Autos	70,593	60,130	55,289	191,311
E-00302	4003435	Al Hajri & Al Sayegh General Trading and Contracting Company	92,159	92,159	49,705	171,990
E-00303	4003436	Gulf Automatic Doors Company W.L.L.	78,965	77,465	30,303	104,848
E-00304	4003437	Mazidi Trading Co. W.L.L.	71,422	69,422	47,566	164,306
E-00305	4003438	Almoajil Trading Group Co. Partnership	313,569	313,569	48,000	166,090
E-00306	4003439	Al Hashem International Trading Group Co.	24,500	24,500	2,629	9,074
E-00307	4003440	Al Muhalb Int. Transport Co.	35,250	35,250	30,406	105,211
E-00308	4003441	Abdul Mohsin Sadiq & Hussain Ebrahim Co.	468,690	394,878	71,218	246,159
E-00309	4003442	Jabriya Co-operative Society	681,478	680,178	260,985	903,062
E-00310	4003443	Boodai Aviation Agencies Company W.L.L.	883,356	720,194	98,252	339,687
E-00311	4003444	Boodai Aviation Company W.L.L.	916,438	750,339	43,315	149,589
E-00313	4003446	Al-Surrah Co-operative Society	630,404	630,404	281,308	973,384

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UNSEQ claim No. */	UNCC claim No.	Claimant's name	Amount claimed (KD)	Net amount claimed (KD) **/	Amount recommended (KD)	Amount recommended (US$)
E-00314	4003447	The New Arz Show Co. W.L.L.	514,612	512,112	165,723	573,145
E-00315	4003448	Chebibco Clothes and Novette Company	242,244	239,744	0	0
E-00316	4003449	American Eastern Limited	198,866	197,834	64,238	222,131
E-00317	4003450	Al Asfar Car Co.	166,662	166,662	85,969	297,461
E-00318	4003451	Mahmoud Mohammed Al-Ghanim & Partner for Import & Export Co. W.L.L.	195,343	194,093	165,355	572,163
E-00319	4003499	Al Othman and Nezam for Building Contracts	380,153	378,953	45,879	158,314
E-00320	4003500	Asaad Al-Abdul Karim & Partners	90,825	89,825	59,253	204,916
E-00321	4003501	Arab Food Services, Mahmoud Mohammed Alghanim and Partner W.L.L.	272,673	270,923	211,881	733,152
E-00322	4003502	Al Sultan & Khalaf Trading Co.	118,961	115,461	85,924	297,097
E-00323	4003503	Sultan Real Estate Co. W.L.L.	1,352,697	1,348,197	872,219	3,018,059
E-00324	4003504	Al-Dahahia Sanitaryware Co.	129,112	129,112	101,030	349,585
E-00325	4003505	The National Factory for Fiberglass W.L.L.	784,111	782,611	425,261	1,471,491
E-00326	4003506	Faiha Sports Equipment W.L.L.	140,578	138,778	103,174	357,003
E-00327	4003507	Ahmad Abdulaziz Al-Mutawa Group, W.L.L.	62,904	53,782	31,142	107,758
E-00328	4003508	Waleed Al-Humaidi Electrical Trading and Contracting Co.	218,444	216,444	0	0
E-00329	4003509	Al-Bader Trading Company W.L.L	914,621	914,621	610,270	2,110,899
E-00330	4003510	Al-Othman & Al-Bisher Trd. Co. W.L.L.	896,748	896,748	543,048	1,878,807
E-00331	4003452	Al-Shamroukh National Co.	96,158	95,609	47,598	164,658
E-00332	4003453	Gulf Marble Co. Ltd.	41,323	40,823	25,448	88,001
E-00333	4003454	Alghanim Decoration Center Company	70,584	64,506	50,811	175,741

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UNSEQ claim No. */	UNCC claim No.	Claimant's name	Amount claimed (KD)	Net amount claimed (KD) **/	Amount recommended (KD)	Amount recommended (US$)
E-00334	4003455	Rezayat Trading Company/ Abdulla Abdul Ghaffar Alireza & Partners W.L.L.	316,259	316,259	218,465	755,934
E-00335	4003456	National Contracting Company/Abdulla Abdul Ghaffar Alireza & Co. W.L.L.	28,117	28,117	13,300	46,021
E-00336	4003457	Real Estate Investment Co., SAK	1,046,134	1,046,134	757,310	2,617,732
E-00337	4003458	Middle East Electric Co. W.L.L.	48,615	48,615	44,514	153,969
E-00338	4003459	Abo Khlaf & Abo Obaid Trading & General Contracting	23,117	23,117	13,386	46,318
E-00339	4003460	Al Farah Cleaning Co. Bader Mustafa Karam & Sons W.L.L.	41,814	41,314	23,445	80,902
E-00340	4003461	Fajr Al Tanreer Trading & Construction Contracting Co. W.L.L.	132,328	131,128	66,427	229,834
E-00341	4003462	International Kitchen Furniture Co. W.L.L.	305,461	304,961	195,447	676,249
E-00342	4003463	Five Ocean Trading Contracting Co.	184,351	184,351	12,017	41,581
E-00343	4003464	Al Rashid Exhibition Co. (Novelties-Watches) Turki Othman Yusuf Al Rashid Al Duwaihi and Partners (Joint Partnership)	143,305	140,805	72,089	249,307
E-00344	4003465	Behbehani Electronic Appliances & Trading Company	213,165	183,411	89,646	310,194
E-00345	4003466	Al Wehaib & Al-Dakheel Trading & Transport Co.	91,859	91,859	90,136	311,889
E-00348	4003468	Kuwait Development & Trading Co.	615,072	611,072	318,731	1,102,586
E-00349	4003469	Al-Koubra International Company W.L.L.	26,012	25,012	19,125	66,176
E-00350	4003470	Al-Moudyan Lighting Center Co. W.L.L.	531,120	529,620	370,897	1,283,074

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UNSEQ claim No. */	UNCC claim No.	Claimant's name	Amount claimed (KD)	Net amount claimed (KD) **/	Amount recommended (KD)	Amount recommended (US$)
E-00351	4003471	Ajal Contracting & General Trading Co. W.L.L.	368,510	365,510	167,829	580,723
E-00352	4003472	United Fiberglass & Cont. Co.	33,948	32,948	18,918	65,460
E-00353	4003473	Al-Mabroor Group Gen. & Trad. Cont. Co. W.L.L.	123,458	111,937	38,274	132,436
TOTAL			45,710,813	43,741,365	20,237,770	69,998,366

*/ The UNSEQ number is the provisional claim number assigned to each claim by PAAC.

**/ The "Net amount claimed" is the original amount claimed less amounts claimed for claim preparation costs and interest. The Panel has made no recommendation with regard to these items.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Sawari General Trading & Contracting Co. W.L.L.
UNCC claim number: 4003345
UNSEQ number: E-00199

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	84,878	54,527	Claim reclassified to loss of tangible property and vehicles. Tangible property claim adjusted for evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of vehicles	43,000	34,980	Adjusted to M.V.V. Table values. "Non-M.V.V. Table" vehicles claim adjusted as stated in paragraph 56 of the report.
Loss of profits	97,302	5,600	Adjusted to restrict period of loss to 7 months and to reflect historical results. See paragraphs 67-77 of the report.
TOTAL	225,180	95,107	

Claim preparation costs	722	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Mishary Al Khalid & Partners Int. Co. W.L.L.
UNCC claim number: 4003346
UNSEQ number: E-00201

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Bad debts	1,282,117	0	Original contracts claim reclassified to bad debts. Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
TOTAL	1,282,117	0	

Claim preparation costs	7,205	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Ashraf & Company Limited
UNCC claim number: 4003347
UNSEQ number: E-00202

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	39,622	34,362	Claim reclassified to loss of tangible property and stock. Tangible property claim adjusted for depreciation. See paragraphs 42-57 of the report.
Loss of stock	492,497	390,834	Stock claim adjusted for obsolescence. Goods in transit claim adjusted for obsolescence and for evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of profits	173,600	0	Historical results for the relevant period show a net loss; accordingly, no compensation recommended. See paragraph 74 of the report.
Bad debts	313,013	0	Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
Loss due to restart of business	4,080	0	Insufficient evidence provided to substantiate claim, e.g., there was no proof of payment. See paragraphs 86-92 of the report.
TOTAL	1,022,812	425,196	

Claim preparation costs	4,000	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	128,494	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Melwani & Company W.L.L.
UNCC claim number: 4003348
UNSEQ number: E-00203

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	5,164	4,528	Claim reclassified to loss of tangible property, stock, cash and vehicles. The claim was adjusted for evidentiary shortcomings and for normal maintenance. See paragraphs 42-57 of the report.
Loss of stock	207,293	131,388	Stock claim adjusted for evidentiary shortcomings, obsolescence and stock build-up. Insufficient evidence provided to substantiate goods in transit claim. See paragraphs 42-57 of the report.
Loss of cash	1,087	0	Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
Loss of vehicles	1,850	1,850	Claim awarded in full. See paragraphs 42-57 of the report.
Loss of profits	9,217	2,483	Adjusted to restrict period of loss to 12 months and to reflect historical results. See paragraphs 67-77 of the report.
Bad debts	79,347	0	Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
TOTAL	303,958	140,249	

Claim preparation costs	1,760	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	32,422	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Shabib Alagmi & Sons Trading & Contracting Company
UNCC claim number: 4003349
UNSEQ number: E-00204

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	97,000	64,685	Claim reclassified to loss of tangible property and vehicles. Claim adjusted for depreciation. See paragraphs 42-57 of the report.
Loss of vehicles	92,000	61,274	Claim adjusted to M.V.V. Table values. See paragraphs 42-57 of the report.
Loss of profits	160,314	33,953	Claim adjusted to reflect historical results and windfall profits. See paragraphs 67-77 of the report.
TOTAL	349,314	159,912	

Claim preparation costs	1,800	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	34,640	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Sports Boy Co. W.L.L.
UNCC claim number: 4003350
UNSEQ number: E-00205

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	101,251	77,608	Original tangible property claim reclassified to loss of stock. Stock claim adjusted for stock build-up and obsolescence. Insufficient evidence provided to substantiate goods in transit claim. See paragraphs 42-57 of the report.
TOTAL	101,251	77,608	

Claim preparation costs	1,800	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	10,041	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Sabah & Flaah Electronic Co.
UNCC claim number: 4003351
UNSEQ number: E-00206

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	49,205	0	Original tangible property claim reclassified to loss of stock. Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
Loss of profits	19,585	8,423	Claim adjusted to reflect historical values and for evidentiary shortcomings. See paragraphs 67-77 of the report.
Bad debts	68,747	0	Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
TOTAL	137,537	8,423	

Claim preparation costs	600	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	15,128	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	The Golden Sword Co. for Refrigeration, Air-Conditioning & Electricity W.L.L.
UNCC claim number:	4003352
UNSEQ number:	E-00207

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	546,342	270,529	Original tangible property claim reclassified to loss of stock. Claim adjusted for stock build-up, obsolescence, and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of profits	74,506	57,500	Adjusted to reflect historical results. See paragraphs 67-77 of the report.
TOTAL	620,848	328,029	

Claim preparation costs	1,000	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	54,324	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Alomar Mechanical Engineering Co.
UNCC claim number: 4003353
UNSEQ number: E-00208

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	184,318	168,016	Original tangible property claim reclassified to loss of stock and cash. Claim adjusted for evidentiary shortcomings and for obsolescence. See paragraphs 42-57 of the report.
Loss of cash	4,131	0	Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
Loss of profits	2,973	2,940	Adjusted to reflect historical results. See paragraphs 67-77 of the report.
Other loss not categorized	498	0	Insufficient evidence provided to substantiate claim as per paragraph 98 of the report.
TOTAL	191,920	170,956	

Claim preparation costs	272	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims
Reported by claimant name and category of loss

Claimant's name: Al Abdaly Agricultural Co-operative Society
UNCC claim number: 4003354
UNSEQ number: E-00209

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	359,186	112,113	Claim adjusted for depreciation and evidentiary shortcomings. See paragraphs 36-41 of the report.
Loss of tangible property	33,857	27,086	Claim reclassified to loss of tangible property, stock and vehicles. Tangible property claim adjusted for failure to repair/replace. See paragraphs 42-57 of the report.
Loss of stock	129,966	65,174	Claim adjusted for stock build-up and obsolescence. See paragraphs 42-57 of the report.
Loss of vehicles	4,075	3,500	Adjusted to M.V.V. table values. See paragraphs 42-57 of the report.
Loss of profits	192,328	79,584	Claim adjusted to reflect historical results. See paragraphs 67-77 of the report.
TOTAL	719,412	287,457	

Claim preparation costs	3,000	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Rashied and Al Othman Gen. Trad. & Contracting Company
UNCC claim number: 4003355
UNSEQ number: E-00210

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	5,373	3,382	Claim reclassified to loss of tangible property, stock and vehicles. Claim adjusted for depreciation. See paragraphs 42-57 of the report.
Loss of stock	454,610	347,777	Part of claim reclassified from loss of contracts. Adjusted for obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of vehicles	8,260	7,210	Adjusted to M.V.V. Table values. See paragraphs 42-57 of the report.
Loss of profits	108,421	108,421	Claim awarded in full. See paragraphs 67-77 of the report.
TOTAL	576,664	466,790	

Claim preparation costs	919	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Makki & Daher Trading Co.
UNCC claim number: 4003363
UNSEQ number: E-00211

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	21,769	11,900	Claim reclassified to loss of tangible property, stock, cash and vehicles. Tangible property claim adjusted for failure to repair/replace and for evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of stock	66,954	34,914	Claim adjusted for stock build-up and obsolescence. See paragraphs 42-57 of the report.
Loss of cash	1,680	0	Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
Loss of vehicles	10,105	6,980	Claim adjusted to M.V.V. Table values. See paragraphs 42-57 of the report.
Loss of profits	5,460	0	Historical results for the relevant period show a net loss; accordingly, no compensation recommended. See paragraphs 67-77 of the report.
Bad debts	16,168	0	Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
TOTAL	122,136	53,794	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Salman Abdulla Jassim Al Dabous Commercial Industrial Company
UNCC claim number: 4003364
UNSEQ number: E-00212

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	28,350	5,460	Claim adjusted for normal maintenance and evidentiary shortcomings. See paragraphs 36-41 of the report.
Loss of tangible property	24,078	7,249	Claim reclassified to loss of tangible property and stock. Tangible property claim adjusted for depreciation and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of stock	3,555	2,317	Claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
TOTAL	55,983	15,026	

Claim preparation costs	2,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Mubarak Centre General Trading & Contracting Co., W.L.L.
UNCC claim number: 4003365
UNSEQ number: E-00213

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	275,348	102,368	Original tangible property claim reclassified to loss of stock. Claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of profits	7,142	7,142	Claim awarded in full. See paragraphs 67-77 of the report.
TOTAL	282,490	109,510	

Claim preparation costs	2,000	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	28,013	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Kuwait Danish Computer Company
UNCC claim number: 4003366
UNSEQ number: E-00214

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	157,822	57,567	Claim reclassified to loss of tangible property and stock. Claim adjusted to net book value and for evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of stock	663,260	198,122	Claim adjusted for stock build-up and overstocking. See paragraphs 42-57 of the report.
Loss of profits	175,602	345	Original contracts claim reclassified to loss of profits. Claim adjusted to reflect historical results, to restrict the period of loss to 10 months and for windfall profits. See paragraphs 67-77 of the report.
Loss due to restart of business	22,558	0	Insufficient evidence provided to substantiate claim. See paragraphs 86-92 of the report.
TOTAL	1,019,242	256,034	

Claim preparation costs	5,000	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al-Baghli Textile Co.
UNCC claim number: 4003357
UNSEQ number: E-00215

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	51,705	36,013	"Other loss not categorized" claim reclassified to loss of real property. Claim adjusted for evidentiary shortcomings, depreciation and normal maintenance. See paragraphs 36-41 of the report.
Loss of tangible property	20,819	16,655	Claim reclassified to loss of tangible property, stock and cash. Tangible property claim adjusted for depreciation. See paragraphs 42-57 of the report.
Loss of stock	249,871	137,666	Claim adjusted for stock build-up, over-stocking, obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of cash	5,071	0	Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
Loss of profits	20,664	17,724	Claim adjusted to restrict period of loss to 12 months. See paragraphs 67-77 of the report.
Bad debts	16,515	3,287	Claim adjusted to reflect evidentiary shortcomings. See paragraphs 78-85 of the report.
TOTAL	364,645	211,345	

Claim preparation costs	970	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	55,342	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Medan Sanitary Ware Trading Co. W.L.L.
UNCC claim number: 4003369
UNSEQ number: E-00217

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	141,826	107,358	Original tangible property claim reclassified to loss of stock. Claim adjusted for evidentiary shortcomings and for obsolescence. See paragraphs 42-57 of the report.
TOTAL	141,826	107,358	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Kuwait Electronics Co., Ltd.
UNCC claim number: 4003370
UNSEQ number: E-00218

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	8,154	5,283	Original tangible property and restart of business claims reclassified to loss of tangible property, stock, cash, vehicles and profits. Tangible property claim adjusted for depreciation and normal maintenance. See paragraphs 42-57 of the report.
Loss of stock	630,698	346,173	Claim adjusted for overstocking. See paragraphs 42-57 of the report.
Loss of cash	4,783	0	Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
Loss of vehicles	3,488	1,951	Claim adjusted to M.V.V. Table values. See paragraphs 42-57 of the report.
Loss of profits	4,157	0	Salary and rent claims reclassified to loss of profits. Historical results for the relevant period show a net loss; accordingly, no compensation is recommended. See paragraphs 67-77 of the report.
Bad debts	103,561	0	Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
TOTAL	754,841	353,407	

Claim preparation costs	2,000	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Saffar & Atawi Readymade Garments Company
UNCC claim number: 4003371
UNSEQ number: E-00219

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	9,150	6,222	Claim adjusted for normal maintenance and evidentiary shortcomings. See paragraphs 36-41 of the report.
Loss of stock	91,108	60,340	Original tangible property claim reclassified to loss of stock. Stock claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of profits	42,443	27,504	Claim adjusted to reflect historical results. See paragraphs 67-77 of the report.
Bad debts	70,641	0	Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
TOTAL	213,342	94,066	

Claim preparation costs	1,000	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Gulf Sea for Furniture & Furnishings Company
UNCC claim number: 4003372
UNSEQ number: E-00220

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	45,642	31,037	Original tangible property claim reclassified to loss of stock. Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of profits	70,486	20,623	Claim adjusted to reflect historical results, evidentiary shortcomings, and for windfall profits. See paragraphs 67-77 of the report.
TOTAL	116,128	51,660	

Claim preparation costs	2,000	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	11,516	n.a.	Governing Council's determination pending. See paragraphs 105 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: United Trading Group Company (Saleh Al Fahed Al Sabah & Partners) W.L.L.
UNCC claim number: 4003320
UNSEQ number: E-00222

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	54,368	54,368	Claim reclassified to loss of tangible property and vehicles. Tangible property claim awarded in full. See paragraphs 42-57 of the report.
Loss of vehicles	1,800	1,800	Claim awarded in full. See paragraphs 42-57 of the report.
Loss of profits	496,495	78,712	Claim adjusted to reflect historical results. See paragraphs 67-77 of the report.
Bad debts	72,837	0	Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
TOTAL	625,500	134,880	

Claim preparation costs	1,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Taqaddom Al Kuwaiti Jewellery Company/Zaleekha Mahmoud Al Jassim Partner W.L.L.
UNCC claim number:	4003321
UNSEQ number:	E-00223

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	44,404	35,524	Adjusted for failure to repair/replace. See paragraphs 42-57 of the report.
Loss of profits	62,440	46,830	Adjusted for evidentiary shortcomings. See paragraphs 67-77 of the report.
TOTAL	106,844	82,354	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Kuwait National Real Estate Services Co.
UNCC claim number: 4003322
UNSEQ number: E-00224

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of contracts	14,852	0	Insufficient evidence provided to substantiate claim. See paragraphs 29-35 of the report.
Loss of tangible property	35,919	26,771	Claim reclassified to loss of tangible property, stock and vehicles. Claim adjusted for evidentiary shortcomings and normal maintenance. See paragraphs 42-57 of the report.
Loss of stock	49,097	20,891	Claim adjusted for stock build-up and obsolescence. See paragraphs 42-57 of the report.
Loss of vehicles	11,760	11,581	Claim adjusted to M.V.V. Table values. See paragraphs 42-57 of the report.
Loss of profits	158,458	83,330	Claim reclassified to loss of profits and other loss not categorized. Loss of profits claim adjusted to reflect historical results. See paragraphs 67-77 of the report.
Other loss not categorized	11,167	0	Insufficient evidence provided to substantiate claim, e.g., there is a lack of proof that payment was actually made and that the loss is the direct result of Iraq's invasion and occupation of Kuwait. See paragraphs 93-104 of the report.
TOTAL	281,253	142,573	

Claim preparation costs	2,890	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	United Company for Distribution of Newspapers and Publications
UNCC claim number:	4003323
UNSEQ number:	E-00225

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	31,264	0	Original tangible property claim reclassified to loss of stock. Claim adjusted for evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of profits	64,540	61,872	Adjusted to reflect historical results. See paragraphs 67-77 of the report.
TOTAL	95,804	61,872	

Claim Preparation Costs	500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	11,376	n.a.	Governing Council's determination pending. See paragraphs 105 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al-Anazy Stationery Company
UNCC claim number: 4003324
UNSEQ number: E-00226

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	6,900	4,560	Claim reclassified to loss of tangible property and stock. Claim adjusted for normal maintenance and depreciation. See paragraphs 42-57 of the report.
Loss of stock	14,417	0	Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
TOTAL	21,317	4,560	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Misha'al Al-Adwani Trading Co.
UNCC claim number: 4003325
UNSEQ number: E-00227

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of vehicles	93,960	60,930	Original tangible property claim reclassified to loss of vehicles. Claim adjusted to M.V.V. Table values. See paragraphs 42-57 of the report.
TOTAL	93,960	60,930	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Burgan Brick & Tiles Mfg. Co./ Abdol Hadi Ahmad Al-Dosari & Partners W.L.L.
UNCC claim number: 4003326
UNSEQ number: E-00228

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	93,357	78,648	Claim adjusted to reflect estimated replacement value, for depreciation and normal maintenance. See paragraphs 36-41 of the report.
Loss of tangible property	50,960	40,270	Claim reclassified to tangible property, stock, vehicles and profits. Original "Other loss not categorized" claim reclassified to loss of tangible property and profits. Tangible property claim adjusted for depreciation, normal maintenance and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of stock	32,354	26,287	Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of vehicles	15,656	6,285	Claim adjusted for evidentiary shortcomings, including no deregistration certificate provided for a vehicle. See paragraphs 42-57 of the report.
Loss of profits	84,780	45,002	Claim adjusted to reflect historical values and for evidentiary shortcomings. See paragraphs 67-77 of the report.
Bad debts	22,403	0	Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
TOTAL	299,510	196,492	

Claim preparation costs	386	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	15,725	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Jeel Trading Company W.L.L.
UNCC claim number: 4003327
UNSEQ number: E-00229

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	164,629	67,820	Original tangible property claim reclassified to loss of stock and cash. Stock claim adjusted for stock build-up, overstocking and obsolescence. See paragraphs 42-57 of the report.
Loss of cash	1,653	1,653	Claim awarded in full. See paragraphs 42-57 of the report.
TOTAL	166,282	69,473	

Claim preparation costs	6,000	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	21,062	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al-Athla Trading & Contracting Co. W.L.L.
UNCC claim number:	4003328
UNSEQ number:	E-00230

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	88,629	40,516	Claim reclassified to loss of tangible property, stock and cash. Tangible property claim adjusted for depreciation and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of stock	46,276	31,468	Claim adjusted for over-stocking and obsolescence. See paragraphs 42-57 of the report.
Loss of cash	1,153	0	Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
Loss of profits	106,188	28,291	Claim adjusted to reflect historical results and to restrict the period of loss to 12 months. See paragraphs 67-77 of the report.
TOTAL	242,246	100,275	

Claim preparation costs	1,500	n.a.	Governing Council's determination pending.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	The Sons of Khalifah Al-Ghanim Trading Company
UNCC claim number:	4003329
UNSEQ number:	E-00231

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	33,696	26,156	Claim adjusted for depreciation. See paragraphs 36-41 of the report.
TOTAL	33,696	26,156	

Claim preparation costs	1,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Kuwait Business Forms Company
UNCC claim number:	4003330
UNSEQ number:	E-00232

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	22,110	14,729	Claim adjusted for normal maintenance and evidentiary shortcomings. See paragraphs 36-41 of the report.
Loss of tangible property	110,814	32,864	Claim reclassified to loss of tangible property, stock and vehicles. Tangible property claim adjusted for depreciation. See paragraphs 42-57 of the report.
Loss of stock	84,363	44,056	Original loss of contracts claim reclassified to loss of stock. Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of vehicles	734	734	Claim awarded in full. See paragraphs 42-57 of the report.
Bad debts	1,007	0	Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
TOTAL	219,628	92,383	

Claim preparation costs	4,000	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Salboukh Trading Co.
UNCC claim number: 4003331
UNSEQ number: E-00233

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	101,241	86,055	Original tangible property claim reclassified to loss of stock. Stock claim adjusted for evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of vehicles	221,155	124,563	Registered vehicles adjusted to M.V.V. Table values and for depreciation. "Non-M.V.V. Table" vehicles claim adjusted for depreciation and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of profits	461,536	255,892	Adjusted to reflect historical results. See paragraphs 67-77 of the report.
TOTAL	783,932	466,510	

Interest	55,529	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Shareff Textile Exhibition Company
UNCC claim number: 4003373
UNSEQ number: E-00234

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	58,906	37,363	Original tangible property claim reclassified to loss of stock. Claim adjusted to reflect historical levels and for obsolescence. See paragraphs 42-57 of the report.
Loss of profits	12,074	6,398	Claim adjusted to reflect historical results and for evidentiary shortcomings. See paragraphs 67-77 of the report.
TOTAL	70,980	43,761	

Claim preparation costs	1,618	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: International Equipment Company
UNCC claim number: 4003374
UNSEO number: E-00235

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	13,531	0	Original tangible property claim reclassified to loss of stock. Insufficient evidence provided to substantiate claim as per paragraph 45 of the report.
Bad debts	3,221	0	Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
TOTAL	16,752	0	

Claim preparation costs	1,000	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Limited Plastic Company
UNCC claim number:	4003375
UNSEQ number:	E-00236

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	9,370	4,207	Original tangible property claim reclassified to loss of stock. Stock claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of profits	373,697	337,350	Original claim for restart of business reclassified to loss of profits. Claim adjusted to reflect historical results. See paragraphs 67-77 of the report.
Other loss not categorized	1,505	0	Insufficient evidence for claim as per paragraph 99.
TOTAL	384,572	341,557	

Claim preparation costs	2,000	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Abdul Aziz Abdul Mohsen Al-Rashed Sons Real Estate Co.
UNCC claim number: 4003376
UNSEQ number: E-00238

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of profits	48,943	12,918	Original "Other loss not categorized" claim reclassified to loss of profits. Claim adjusted to reflect historical results and for evidentiary shortcomings. See paragraphs 67-77 of the report.
TOTAL	48,943	12,918	

Claim preparation costs	2,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Hungaro-Kuwait Trading Co.
UNCC claim number: 4003377
UNSEQ number: E-00239

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of profits	23,786	23,786	Claim awarded in full. See paragraphs 67-77 of the report.
TOTAL	23,786	23,786	

Claim preparation costs	1,200	n.a.	Governing Council's determination pending. See paragraph 106 of the report

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Shalimar Store Co. Ltd.
UNCC claim number:	4003378
UNSEQ number:	E-00241

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	170,071	85,283	Original tangible property claim reclassified to loss of stock. Claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of profits	2,296	2,268	Adjusted to reflect historical results. See paragraphs 67-77 of the report.
TOTAL	172,367	87,551	

Interest	18,960	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Nahda Marble Co./ Naser Abdul Hussein Al Meqwar and Partner W.L.L.
UNCC claim number: 4003379
UNSEQ number: E-00242

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	194,025	169,418	Original tangible property claim reclassified to loss of stock and vehicles. Stock claim adjusted for obsolescence. Insufficient evidence provided to substantiate goods in transit claim. See paragraphs 42-57 of the report.
Loss of vehicles	3,535	3,073	Claim adjusted to M.V.V. Table values. See paragraphs 42-57 of the report.
Loss of profits	33,917	22,617	Claim adjusted to reflect historical results and to restrict the period to 12 months. See paragraphs 67-77 of the report.
TOTAL	231,477	195,108	

Claim preparation costs	478	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al Gallaf & Al-Bazzaz Co. for Paints Constructional Materials, Paints, Contracting, Import & Export
UNCC claim number:	4003380
UNSEQ number:	E-00243

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	5,985	0	Original tangible property claim reclassified to loss of stock (goods in transit) and vehicles. Insufficient evidence provided to substantiate the goods in transit claim, e.g., there was insufficient evidence of proof of payment and the lack of port authority documents. See paragraphs 42-57 of the report.
Loss of vehicles	1,400	1,260	Claim adjusted to M.V.V. Table values. See paragraphs 42-57 of the report.
Loss of profits	20,746	15,559	Claim adjusted for windfall profits. See paragraphs 67-77 of the report.
TOTAL	28,131	16,819	

Claim preparation costs	1,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Good Earth Trading Company - Sa'ad Bilal Humood & Partner W.L.L.
UNCC claim number: 4003381
UNSEQ number: E-00244

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	55,000	10,426	Original income producing property claim reclassified to loss of tangible property and stock. Tangible property claim adjusted to net book value and for failure to repair/replace. See paragraphs 42-57 of the report.
Loss of stock	165,878	132,702	Claim adjusted for obsolescence. See paragraphs 42-57 of the report.
Bad debts	104,448	32,995	Claim adjusted to reflect evidentiary shortcomings. See paragraphs 78-85 of the report.
TOTAL	325,326	176,123	

Claim preparation costs	2,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Abdul Ghani Al Mutawa Sons Co. W.L.L.
UNCC claim number: 4003382
UNSEQ number: E-00245

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	35,330	32,713	Claim reclassified to loss of tangible property and stock. Claim adjusted for depreciation and failure to repair/replace. See paragraphs 42-57 of the report.
Loss of stock	108,374	42,532	Claim adjusted to reflect historical levels, obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of profits	210,883	155,892	Claim adjusted to reflect historical results. See paragraphs 67-77 of the report.
Bad debts	2,240	0	Original contracts claim reclassified to bad debts. Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
TOTAL	356,827	231,137	

Interest	40,440	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims
Reported by claimant name and category of loss

Claimant's name:	Al Sayadoun Trading Co.
UNCC claim number:	4003383
UNSEQ number:	E-00246

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	2,300	678	Claim reclassified to loss of tangible property and vehicles. Tangible property claim adjusted for depreciation, failure to repair/replace and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of vehicles	45,250	34,554	Claim adjusted to M.V.V. Tables values. See paragraphs 42-57 of the report.
TOTAL	47,550	35,232	

Claim preparation costs	500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: General Trading Company for Manufacturing Adhesives Ltd.
UNCC claim number: 4003384
UNSEQ number: E-00247

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	75,267	39,821	Original tangible property claim reclassified to loss of stock. Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of vehicles	998	700	Adjusted to M.V.V. Table values. See paragraphs 42-57 of the report.
Loss of profits	158,505	158,505	Claim awarded in full. See paragraphs 67-77 of the report.
Bad debts	122,573	0	Original loss of contracts claim reclassified to bad debts. Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
TOTAL	357,343	199,026	

Claim preparation costs	5,000	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al-Rayah Real Estate Company
UNCC claim number:	4003385
UNSEQ number:	E-00248

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of profits	524,224	172,780	Claim adjusted to reflect historical results. See paragraphs 67-77 of the report.
TOTAL	524,224	172,780	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al-Jabri Factory Co. for Cement Blocks W.L.L.
UNCC claim number: 4003386
UNSEQ number: E-00249

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	77,444	62,044	Claim adjusted for normal maintenance. See paragraphs 36-41 of the report.
Loss of tangible property	75,788	47,737	Claim reclassified to loss of real property, tangible property and vehicles. Original restart of business claim reclassified to loss of tangible property. Loss of equipment claim adjusted for failure to repair/replace. Replaced equipment and office furniture claims adjusted for depreciation. Repairs to lorry claim adjusted to value of vehicle, for normal maintenance and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of vehicles	91,816	29,283	Claim adjusted as per paragraphs 42-57 of the report.
Loss of profits	81,367	25,456	Claim adjusted to restrict the period of loss to 12 months and for evidentiary shortcomings. See paragraphs 67-77 of the report.
TOTAL	326,415	164,520	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Zahrat Nables Sweet Co.
UNCC claim number: 4003387
UNSEQ number: E-00250

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	3,562	1,968	Original tangible property claim reclassified to loss of stock. Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of profits	48,804	22,500	Claim adjusted for evidentiary shortcomings. See paragraphs 67-77 of the report.
TOTAL	52,366	24,468	

Claim preparation costs	1,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	5,192	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Trade Organization Group W.L.L.
UNCC claim number: 4003388
UNSEQ number: E-00251

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of contracts	36,998	27,748	Claim reclassified to loss of contracts and profits. Contracts claim adjusted for evidentiary shortcomings. See paragraphs 29-35 of the report.
Loss of tangible property	34,941	23,467	Claim reclassified to loss of tangible property and stock. Claim adjusted for evidentiary shortcomings and depreciation. See paragraphs 42-57 of the report.
Loss of stock	9,027	5,971	Claim adjusted for stock build-up and obsolescence. See paragraphs 42-57 of the report.
Loss of profits	28,722	0	Historical results for the relevant period show a net loss; accordingly, no compensation recommended. See paragraphs 67-77 of the report.
TOTAL	109,688	57,186	

Claim preparation costs	1,800	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	15,356	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Khanna & Benmlih Company
UNCC claim number: 4003389
UNSEQ number: E-00252

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	23,352	13,285	Claim reclassified to loss of tangible property and stock. Claim adjusted for depreciation. See paragraphs 42-57 of the report.
Loss of stock	575,266	408,192	Claim adjusted for stock build-up. See paragraphs 42-57 of the report.
Loss of profits	59,806	4,924	Claim adjusted to reflect historical results and to restrict the period of loss to 7 months. See paragraphs 67-77 of the report.
TOTAL	658,424	426,401	

Claim preparation costs	1,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Askar Mashal Co. for Binding Books
UNCC claim number: 4003390
UNSEO number: E-00253

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	89,545	0	Original tangible property claim reclassified to loss of stock and vehicles. Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
Loss of vehicles	2,313	2,313	Claim awarded in full. See paragraphs 42-57 of the report.
Loss of profits	14,092	11,633	Claim adjusted to reflect historical results and for evidentiary shortcomings. See paragraphs 67-77 of the report.
TOTAL	105,950	13,946	

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Abdallah Al-Saad General Trading & Contracting Co.
UNCC claim number: 4003391
UNSEQ number: E-00254

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	67,374	21,628	Original tangible property claim reclassified to loss of stock. Claim adjusted to reflect historical levels, for obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of profits	10,992	10,992	Claim awarded in full. See paragraphs 67-77 of the report.
TOTAL	78,366	32,620	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Peace Towers Co.
UNCC claim number: 4003392
UNSEQ number: E-00255

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	14,900	0	Original tangible property claim reclassified to loss of stock. Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
TOTAL	14,900	0	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Jehad Auto Spare Parts & Auto Tyres Co.
UNCC claim number: 4003393
UNSEQ number: E-00256

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	622,932	170,107	Original tangible property claim reclassified to loss of stock. Tangible property claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of profits	206,369	82,687	Claim adjusted to restrict the period of loss to 7 months, to reflect historical results and for evidentiary shortcomings. See paragraphs 67-77 of the report.
TOTAL	829,301	252,794	

Claim preparation costs	1,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	82,239	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Safaa for Selling, Buying & Renting Cars Co. W.L.L.
UNCC claim number: 4003395
UNSEQ number: E-00258

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of vehicles	120,410	115,874	Original tangible property claim reclassified to loss of vehicles. Claim adjusted to M.V.V. Table values. See paragraphs 42-57 of the report.
TOTAL	120,410	115,874	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al-Mesk Mech. and Elect. Equip. Co. W.L.L.
UNCC claim number:	4003396
UNSEQ number:	E-00259

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	13,072	8,497	Original tangible property claim reclassified to loss of stock. Claim adjusted for evidentiary shortcomings. See paragraphs 42-57 of the report.
TOTAL	13,072	8,497	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al Jeel Reprographic Industries W.L.L.
UNCC claim number:	4003397
UNSEQ number:	E-00260

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	1,656	1,325	Tangible property claim reclassified to loss of tangible property, stock and cash. Tangible property claim adjusted for failure to replace. See paragraphs 42-57 of the report.
Loss of stock	76,178	2,321	Adjusted predominantly for stock build-up, and also for obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of vehicles	2,012	2,012	Claim awarded in full. See paragraphs 42-57 of the report.
TOTAL	79,846	5,658	

Claim preparation costs	6,000	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	10,252	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Hemdh General Trd. & Contracting Co.
UNCC claim number: 4003398
UNSEO number: E-00261

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	18,500	14,800	Claim adjusted for normal maintenance. See paragraphs 36-41 of the report.
Loss of profits	34,032	17,505	Claim adjusted for evidentiary shortcomings. See paragraphs 67-77 of the report.
TOTAL	52,532	32,305	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Gulf International Carpet & Furniture Co. W.L.L.
UNCC claim number: 4003399
UNSEQ number: E-00263

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	693,712	465,106	Claim adjusted for stock build-up and obsolescence. See paragraphs 42-57 of the report.
Loss of profits	135,196	81,246	Adjusted to reflect historical results and for windfall profits. See paragraphs 67-77 of the report.
TOTAL	828,908	546,352	

Claim preparation costs	2,750	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Combined Building Materials Co. W.L.L.
UNCC claim number: 4003400
UNSEQ number: E-00265

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of contracts	177,933	0	Insufficient evidence provided to substantiate claim as per paragraph 33 of the report.
Loss of tangible property	1,619	1,048	Tangible property claim reclassified to loss of tangible property, stock and vehicles. Claim adjusted for depreciation. See paragraphs 42-57 of the report.
Loss of stock	63,732	48,755	Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of vehicles	43,250	8,825	Claim adjusted to M.V.V. Table values and for depreciation. See paragraphs 42-57 of the report.
Bad debts	999,672	0	Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
TOTAL	1,286,206	58,628	

Claim preparation costs	23,833	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	264,208	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Readymix Concrete Company W.L.L.
UNCC claim number: 4003402
UNSEQ number: E-00267

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	206,499	165,199	Claim reclassified to loss of tangible property and stock. Tangible property claim adjusted for evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of stock	17,788	4,389	Claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of profits	298,567	76,801	Adjusted to restrict the period of loss to 12 months and to reflect historical results. See paragraphs 67-77 of the report.
Bad debts	203,721	0	Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
TOTAL	726,575	246,389	

Claim preparation costs	24,083	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	103,178	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Nasser Industrial Trading and Contracting Co.
UNCC claim number: 4003403
UNSEQ number: E-00268

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	13,586	7,644	Claim adjusted for depreciation and normal maintenance. See paragraphs 36-41 of the report.
Loss of profits	76,503	48,928	Claim adjusted to reflect historical results. See paragraphs 67-77 of the report.
TOTAL	90,089	56,572	

Claim preparation costs	201	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Elegant Company for Textiles
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mount ted (KD)	Amount recommended (KD)	Comments
125,632	96,506	Claim adjusted to amount supported by evidence and for normal maintenance. See paragraphs 36-41 of the report.
642	153	Claim reclassified to loss of real property, tangible property and stock. Claim adjusted for depreciation. See paragraphs 42-57 of the report.
876,951	492,453	Claim adjusted for evidentiary shortcomings. See paragraphs 42-57 of the report.
1,003,225	589,112	

1,200	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Gulf Gen. Trading & Contracting Co.
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ount ted (KD)	Amount recommended (KD)	Comments
44,890	24,395	Claim adjusted for depreciation and normal maintenance. See paragraphs 36-41 of the report.
5,079	5,079	Claim reclassified to loss of tangible property, stock, cash and vehicles. Tangible property claim awarded in full. See paragraphs 42-57 of the report.
365,311	146,578	Adjusted for stock build-up and obsolescence. See paragraphs 42-57 of the report.
49	0	Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
5,400	5,400	Claim awarded in full. See paragraphs 42-57 of the report.
144,612	142,969	Claim adjusted to reflect historical results. See paragraphs 67-77 of the report.
565,341	324,421	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

a Trading Co.
06
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ount ted (KD)	Amount recommended (KD)	Comments
10,209	1,847	Claim adjusted for depreciation and evidentiary shortcomings. See paragraphs 42-57 of the report.
16,500	0	Insufficient evidence provided to substantiate claim as per paragraph 72 cf the report.
26,709	1,847	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Al Soqoor for Security & Protection/ Abdal Wahab Almezaien Partners Ltd.

nt d (KD)	Amount recommended (KD)	Comments
14,679	14,679	Claim reclassified to loss of tangible property and vehicles. Tangible property claim awarded in full. See paragraphs 42-57 of the report.
24,529	22,018	Claim adjusted to M.V.V. Table values. See paragraphs 42-57 of the report.
39,208	36,697	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

tches Store Company

nt d (KD)	Amount recommended (KD)	Comments
30,000	24,000	Claim adjusted for depreciation. See paragraphs 36-41 of the report.
50,814	174,119	Original tangible property claim reclassified to loss of stock. Claim adjusted for stock build-up and evidentiary shortcomings. See paragraphs 42-57 of the report.
5,332	5,332	Claim awarded in full. See paragraphs 42-57 of the report.
36,579	32,921	Claim adjusted for evidentiary shortcomings. See paragraphs 67-77 of the report.
22,725	236,372	

6,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

l Electronics Company (Adawliah)

t (KD)	Amount recommended (KD)	Comments
2,783	20,300	Original tangible property claim reclassified to loss of stock. Claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
7,139	0	Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
9,922	20,300	

521	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

d Al-Rifai Co.

nt d (KD)	Amount recommended (KD)	Comments
09,453	0	Original tangible property claim reclassified to loss of stock and vehicles. Claim adjusted for evidentiary shortcomings. See paragraphs 42-57 of the report.
13,400	10,267	Claim adjusted to M.V.V. Table values and to eliminate duplicate claim filed. See paragraph 46 of the report.
57,798	15,179	Claim adjusted to reflect historical results, for evidentiary shortcomings and windfall profits. See paragraphs 67-77 of the report.
80,651	25,446	

1,242	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

ding & Cont. Company

KD)	Amount recommended (KD)	Comments
800	75,344	Original tangible property claim reclassified to loss of stock. Claim adjusted for evidentiary shortcomings and obsolescence. See paragraphs 42-57 of the report.
753	5,782	Claim adjusted to reflect historical results and for windfall profits. See paragraphs 67-77 of the report.
553	81,126	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Co. for Bldgs Maintenance/ Mubarak Hamdan Al Harbi and Co.

(KD)	Amount recommended (KD)	Comments
9,849	15,447	Claim reclassified to loss of tangible property, stock and cash. Tangible property claim adjusted for depreciation and failure to repair/replace. See paragraphs 42-57 of the report.
3,951	6,579	Claim adjusted to amount supported by evidence, for obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
380	0	Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
0,261	4,369	Claim adjusted to reflect historical results and for evidentiary shortcomings. See paragraphs 67-77 of the report.
9,441	26,395	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

al Metal Centre Co. W.L.L.

(KD)	Amount recommended (KD)	Comments
,890	9,512	Claim reclassified to loss of tangible property, stock and cash. Tangible property claim adjusted for evidentiary shortcomings. See paragraphs 42-57 of the report.
,361	167,811	Claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
,119	0	Insufficient evidence provided to substantiate loss. See paragraphs 42-57 of the report.
,116	88,116	Claim awarded in full. See paragraphs 67-77 of the report.
,486	265,439	

,000	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

tional Engineer for Electrical Trading & Contracting Company W.L.L.

nt d (KD)	Amount recommended (KD)	Comments
2,548	0	Insufficient evidence provided to substantiate claim. See paragraphs 29-35 of the report.
7,160	5,138	Claim reclassified to loss of tangible property and stock. Tangible property claim adjusted for depreciation. See paragraphs 42-57 of the report.
13,902	6,117	Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
23,610	11,255	

1,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

m Cars Co. W.L.L.

KD)	Amount recommended (KD)	Comments
,873	9,498	Claim reclassified to loss of real property and tangible property. Real property claim adjusted for normal maintenance. See paragraphs 36-41 of the report.
,996	16,182	Claim reclassified to loss of tangible property, stock and vehicles. Tangible property claim adjusted for depreciation. See paragraphs 42-57 of the report.
176	10,350	Claim adjusted for evidentiary shortcomings. See paragraphs 42-57 of the report.
000	82,600	Claim adjusted to reflect M.V.V. Table values. See paragraphs 42-57 of the report.
607	7,901	Claim adjusted to reflect historical results and for windfall profits. See paragraphs 67-77 of the report.
652	126,531	

490	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Equipment Company W.L.L.
UNCC claim number: 4003417
UNSEQ number: E-00282

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	445	378	Claim reclassified to loss of tangible property, stock and vehicles. Tangible property claim adjusted for evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of stock	407,260	304,019	Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of vehicles	9,384	8,484	Claim adjusted to M.V.V. Table values. See paragraphs 42-57 of the report.
Loss of profits	164,503	0	Contracts and other losses claims reclassified to loss of profits. Claim adjusted as per paragraph 73 of the report.
Bad debts	61,365	61	Claim adjusted to reflect evidentiary shortcomings. See paragraphs 78-85 of the report.
Loss due to restart of business	2,068	2,068	Claim awarded in full. See paragraphs 86-92 of the report.
TOTAL	645,025	315,010	

Claim preparation costs	3,286	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Northern Gulf Trading Company
UNCC claim number:	4003418
UNSEQ number:	E-00283

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	30,493	27,650	Claim reclassified to loss of tangible property, stock and vehicles. Tangible property claim adjusted for depreciation. See paragraphs 42-57 of the report.
Loss of stock	614,460	407,854	Claim adjusted to reflect historical levels, for stock build-up and for obsolescence. See paragraphs 42-57 of the report.
Loss of vehicles	64,902	62,675	Claim adjusted to M.V.V. Table values. See paragraphs 42-57 of the report.
TOTAL	709,855	498,179	

Claim preparation costs	5,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	120,084	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Ahlia Air-Conditioning Trading & Contr. Co.
UNCC claim number: 4003419
UNSEQ number: E-00284

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of contracts	358,077	8,880	Claim reclassified to loss of contracts and profits. Contracts claim adjusted for evidentiary shortcomings, including insufficient evidence of contractual relationship, repudiation, cancellation or failure to perform. See paragraphs 29-35 of the report.
Loss of tangible property	13,002	10,401	Claim reclassified to loss of tangible property, stock and vehicles. Original restart of business claim reclassified to loss of tangible property. Claim adjusted for failure to replace. See paragraphs 42-57 of the report.
Loss of stock	79,542	55,198	Stock claim adjusted for stock build-up and obsolescence. Goods in transit claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of vehicles	16,183	16,181	Claim adjusted to M.V.V. Table values. See paragraphs 42-57 of the report.
Loss of profits	108,913	0	Historical results for the relevant period show a net loss; accordingly, no compensation recommended. See paragraphs 67-77 of the report.
Other loss not categorized	20,491	223	Claim reclassified in part to loss of contracts. Claim adjusted for evidentiary shortcomings. See paragraphs 93-97 and 100.
TOTAL	596,208	90,883	

Claim preparation costs	1,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	53,270	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Gargour Arabian Gulf Co. W.L.L.
UNCC claim number: 4003420
UNSEQ number: E-00285

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	1,092	1,040	Claim reclassified to loss of tangible property, stock and vehicles. Tangible property claim adjusted for depreciation. See paragraphs 42-57 of the report.
Loss of stock	216,347	145,049	Claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of vehicles	6,600	6,600	Claim awarded in full. See paragraphs 42-57 of the report.
Bad debts	33,738	0	Claim reclassified to loss of stock and bad debts. Insufficient evidence provided to substantiate bad debt claim. See paragraphs 78-85 of the report.
TOTAL	257,777	152,689	

Claim preparation costs	3,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Bustan National Trading Co. W.L.L.
UNCC claim number: 4003421
UNSEO number: E-00286

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	48,615	36,656	Original other loss not categorized reclassified to loss of tangible property. Claim adjusted for depreciation and normal maintenance. See paragraphs 42-57 of the report.
Loss of stock	306,788	78,927	Original tangible property claim reclassified to loss of stock. Claim adjusted for overstocking and obsolescence. See paragraphs 42-57 of the report.
Loss of profits	138,290	27,310	Claim adjusted to reflect historical results and for evidentiary shortcomings. See paragraphs 67-77 of the report.
TOTAL	493,693	142,893	

Claim preparation costs	1,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al Ghanim Specialities
UNCC claim number:	4003422
UNSEQ number:	E-00287

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	6,166	6,166	Claim reclassified to loss of tangible property and stock. Claim for tangible property awarded in full. See paragraphs 42-57 of the report.
Loss of stock	172,879	117,394	Stock claim adjusted for evidentiary shortcomings. Goods in transit claim adjusted for evidentiary shortcomings and obsolescence. See paragraphs 42-57 of the report.
Loss of profits	28,030	0	Payment or relief to others and other losses reclassified to loss of profits. Claim adjusted as per paragraph 74 of the report.
Bad debts	91,361	3,700	Claim adjusted for evidentiary shortcomings See paragraphs 78-85 of the report.
Loss due to restart of business	1,890	1,890	Payment or relief to others reclassified to restart of business. Claim awarded in full. See paragraphs 86-92 of the report.
TOTAL	300,326	129,150	

Claim preparation costs	3,286	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Kuwait Stationeries Company Limited Mohammed Ahmed Sou'ud Al Khalid & Brothers & Partners
UNCC claim number: 4003423
UNSEQ number: E-00288

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	4,990	1,414	Claim reclassified to loss of tangible property, stock and vehicles. Original restart of business claim reclassified to loss of tangible property and other loss not categorized. Tangible property claim adjusted for evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of stock	81,786	65,429	Claim adjusted for obsolescence. See paragraphs 42-57 of the report.
Loss of vehicles	1,333	1,333	Claim awarded in full. See paragraphs 42-57 of the report.
Loss of profits	76,620	63,850	Adjusted to restrict period of loss to 10 months. See paragraphs 67-77 of the report.
Other loss not categorized	2,461	0	Claim adjusted for evidentiary shortcomings. See paragraphs 93-104 of the report.
TOTAL	167,190	132,026	

Claim preparation costs	3,000	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Abdul Samad & Abdul Aziz Habib Trading Co.
UNCC claim number: 4003424
UNSEQ number: E-00289

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	27,035	22,980	Original tangible property claim reclassified to loss of stock. Claim adjusted for evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss due to restart of business	518	0	Original payment or relief to others claim reclassified to restart costs. Insufficient evidence provided to substantiate claim. See paragraphs 86-92 of the report.
TOTAL	27,553	22,980	

Claim preparation costs	4,377	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al-Athla Travel Agency
UNCC claim number: 4003425
UNSEQ number: E-00291

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	28,730	14,990	Original restart of business claim reclassified to loss of real property. Claim adjusted for depreciation and normal maintenance. See paragraphs 36-41 of the report.
Loss of tangible property	15,227	8,956	Claim reclassified to loss of tangible property, cash and other loss not categorized. Tangible property claim adjusted for depreciation. See paragraphs 42-57 of the report.
Loss of cash	21,849	0	Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
Loss of profits	50,699	44,260	Claim adjusted to reflect historical results. See paragraphs 67-77 of the report.
Other loss not categorized	17,521	0	Insufficient evidence provided as per paragraph 101 of the report.
TOTAL	134,026	68,206	

Claim preparation costs	1,000	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Suad Trading Co. W.L.L.
UNCC claim number: 4003426
UNSEQ number: E-00292

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	2,070	1,098	Claim reclassified to loss of tangible property, stock and cash. Claim adjusted for depreciation. See paragraphs 42-57 of the report.
Loss of stock	181,324	94,777	Stock claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of cash	772	0	Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
Loss of profits	42,238	36,204	Adjusted to restrict period of loss to 12 months. See paragraphs 67-77 of the report.
TOTAL	226,404	132,079	

Claim preparation costs	1,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims
Reported by claimant name and category of loss

Claimant's name:	Works & Building Co.
UNCC claim number:	4003427
UNSEQ number:	E-00293

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	16,500	8,250	Claim reclassified to loss of tangible property, stock and vehicles. Tangible property claim adjusted for evidentiary shortcomings and failure to repair/replace. See paragraphs 42-57 of the report.
Loss of stock	147,297	72,984	Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of vehicles	50,500	19,952	Claim adjusted to M.V.V. Table values. See paragraphs 42-57 of the report.
TOTAL	214,297	101,186	

Claim preparation costs	1,429	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Zahim Industries, Contracting & General Transport Co.
UNCC claim number: 4003428
UNSEQ number: E-00295

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	450,617	290,320	Original tangible property claim reclassified to loss of stock. Claim adjusted for stock build-up and obsolescence. See paragraphs 42-57 of the report.
Loss of profits	114,921	85,822	Claim adjusted to reflect historical results. See paragraphs 67-77 of the report.
TOTAL	565,538	376,142	

Claim preparation costs	1,000	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	50,898	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims
Reported by claimant name and category of loss

Claimant's name: Al Duaij & Al-Sedrawi/ Ibrahim Abdul Rahman Al Duaij and Partners W.L.L.
UNCC claim number: 4003429
UNSEQ number: E-00296

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	63,323	38,735	Claim reclassified to loss of tangible property, stock, cash and vehicles. Original restart of business claim reclassified to loss of tangible property. Tangible property claim adjusted to extent substantiated by supporting evidence, for failure to repair/replace and normal maintenance. See paragraphs 42-57 of the report.
Loss of stock	736,667	135,007	Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of cash	5,095	0	Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
Loss of vehicles	8,203	8,203	Claim awarded in full. See paragraphs 42-57 of the report.
Loss of profits	169,432	169,432	Claim awarded in full. See paragraphs 67-77 of the report.
TOTAL	982,720	351,377	

Claim preparation costs	2,200	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al-Thaqeb Trading Co.
UNCC claim number:	4003430
UNSEQ number:	E-00297

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	396,180	134,654	Original tangible property claim reclassified to loss of stock. Claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of profits	30,720	23,040	Claim adjusted for evidentiary shortcomings. See paragraphs 67-77 of the report.
TOTAL	426,900	157,694	

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Arab Western Industries Company
UNCC claim number: 4003431
UNSEQ number: E-00298

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of profits	197,786	100,212	Claim adjusted for evidentiary shortcomings. See paragraphs 67-77 of the report.
TOTAL	197,786	100,212	

Claim preparation costs	1,750	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: United Maintenance Equipment Company
UNCC claim number: 4003432
UNSEQ number: E-00299

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of profits	109,319	5,571	Original contracts claim reclassified to loss of profits. Insufficient evidence provided to substantiate entire claim as per paragraph 75 of the report.
TOTAL	109,319	5,571	

Claim preparation costs	4,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	10,840	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Arab Information Technology Co. Ltd./ Abdul Mohsen F. Al Nafisi & Partners Ltd.
UNCC claim number:	4003433
UNSEQ number:	E-00300

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	378	302	Original tangible property claim reclassified to loss of stock. Claim adjusted for normal maintenance. See paragraphs 42-57 of the report.
Loss of stock	67,940	44,702	Claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss due to restart of business	467	0	Claim reclassified to loss due to restart of business and tangible property. Claim adjusted as per paragraph 91 of the report.
TOTAL	68,785	45,004	

Claim preparation costs	1,000	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	13,259	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Eastern Group Trading Equipment & Autos
UNCC claim number: 4003434
UNSEQ number: E-00301

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	24,150	19,309	Claim reclassified to loss of tangible property and stock. Tangible property claim adjusted for depreciation and failure to repair/replace. See paragraphs 42-57 of the report.
Loss of stock	35,980	35,980	Claim awarded in full. See paragraphs 42-57 of the report.
TOTAL	60,130	55,289	

Claim preparation costs	4,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	5,963	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Hajari & Al Sayegh General Trading and Contracting Company
UNCC claim number: 4003435
UNSEQ number: E-00302

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	20,515	20,418	Claim reclassified to loss of tangible property and stock. Tangible property claim adjusted for depreciation. See paragraphs 42-57 of the report.
Loss of stock	31,250	15,469	Claim adjusted for evidentiary shortcomings and obsolescence. See paragraphs 42-57 of the report.
Loss of cash	7,550	0	Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
Loss of profits	32,844	13,818	Claim adjusted to reflect historical results and for evidentiary shortcomings. See paragraphs 67-77 of the report.
TOTAL	92,159	49,705	

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Gulf Automatic Doors Company W.L.L.
UNCC claim number: 4003436
UNSEQ number: E-00303

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	65,249	29,667	Original tangible property claim reclassified to loss of stock. Claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of profits	12,216	636	Claim adjusted to reflect historical results. See paragraphs 67-77 of the report.
TOTAL	77,465	30,303	
Claim preparation costs	1,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Mazidi Trading Co. W.L.L.
UNCC claim number:	4003437
UNSEQ number:	E-00304

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	20,901	18,303	Claim reclassified to loss of tangible property and cash. Tangible property claim adjusted for depreciation. See paragraphs 42-57 of the report.
Loss of cash	3,452	3,452	Claim awarded in full. See paragraphs 42-57 of the report.
Loss of profits	45,069	25,811	Claim adjusted to reflect historical results. See paragraphs 67-77 of the report.
TOTAL	69,422	47,566	

Claim preparation costs	2,000	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Almoajil Trading Group Co. Partnership
UNCC claim number: 4003438
UNSEQ number: E-00305

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	60,000	48,000	Claim adjusted for normal maintenance. See paragraphs 36-41 of the report.
Loss of profits	253,569	0	Insufficient evidence provided to substantiate claim. See paragraphs 67-77 of the report.
TOTAL	313,569	48,000	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Hashem International Group Co.
UNCC claim number: 4003439
UNSEQ number: E-00306

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of profits	24,500	2,629	Claim adjusted to reflect historical results. See paragraphs 67-77 of the report.
TOTAL	24,500	2,629	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Muhalb Int. Transport Co.
UNCC claim number: 4003440
UNSEQ number: E-00307

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of vehicles	35,250	30,406	Original tangible property claim reclassified to loss of vehicles. Claim adjusted as per paragraphs 42-57 of the report.
TOTAL	35,250	30,406	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Abdul Mohsin Sadiq & Hussain Ebrahim Co.
UNCC claim number: 4003441
UNSEQ number: E-00308

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	331,365	46,498	Original tangible property claim reclassified to loss of stock. Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of profits	32,830	24,720	Claim adjusted to restrict period of loss to 12 months and to reflect historical results. See paragraphs 67-77 of the report.
Other loss not categorized	30,683	0	Insufficient evidence provided to substantiate claim as per paragraph 100 of the report.
TOTAL	394,878	71,218	

Claim preparation costs	600	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	73,212	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Jabriya Co-operative Society
UNCC claim number:	4003442
UNSEQ number:	E-00309

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	21,395	9,628	Claim reclassified to loss of tangible property and stock. Tangible property claim adjusted for depreciation and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of stock	335,880	96,637	Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Payment or relief to others	54,305	0	Compensation is not recommended as loss is not a direct result of Iraq's invasion and occupation of Kuwait as per paragraph 60 of the report.
Loss of profits	188,362	92,309	Claim adjusted to reflect historical results. See paragraphs 67-77 of the report.
Other loss not categorized	80,236	62,411	Claim adjusted for evidentiary shortcomings. See paragraphs 93 to 97 of the report.
TOTAL	680,178	260,985	

Claim preparation costs	1,300	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Boodai Aviation Agencies Company W.L.L.
UNCC claim number: 4003443
UNSEQ number: E-00310

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of contracts	38,728	0	Compensation is not recommended as loss is not a direct result of Iraq's invasion and occupation of Kuwait as per paragraph 34 of the report.
Loss of tangible property	27,274	18,652	Claim reclassified to loss of tangible property and cash. Tangible property claim adjusted for depreciation and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of cash	4,799	0	Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
Loss of profits	164,804	79,600	Claim adjusted to reflect historical results. See paragraphs 67-77 of the report.
Bad debts	471,162	0	Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
Loss due to restart of business	13,427	0	Original other loss not categorized claim reclassified to loss due to restart of business. Insufficient evidence provided to substantiate claim. See paragraphs 86-92 of the report.
TOTAL	720,194	98,252	

Claim preparation costs	23,583	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	139,579	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Boodai Aviation Company W.L.L.
UNCC claim number: 4003444
UNSEQ number: E-00311

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	54,611	16,861	Claim reclassified to loss of tangible property and cash. Claim adjusted for depreciation and failure to repair/replace assets. See paragraphs 42-57 of the report.
Loss of cash	27,908	0	Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
Loss of profits	117,294	26,454	Claim adjusted to reflect historical results. See paragraphs 67-77 of the report.
Bad debts	542,135	0	Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
Loss due to restart of business	3,155	0	Insufficient evidence provided to substantiate claim, e.g., the failure to provide sufficient evidence of proof of payment. See paragraphs 86-92 of the report.
Other loss not categorized	5,236	0	Claim reclassified to other loss not categorized and restart of business. Insufficient evidence provided to substantiate claim as per paragraph 102 of the report.
TOTAL	750,339	43,315	

Claim preparation costs	23,833	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	142,266	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al-Surrah Co-operative Society
UNCC claim number:	4003446
UNSEQ number:	E-00313

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	267,401	138,266	Original tangible property claim reclassified to loss of stock. Claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Payment or relief to others	189,539	0	Insufficient evidence provided to substantiate claim as per paragraphs 58-66 of the report.
Other loss not categorized	173,464	143,042	Claim adjusted for evidentiary shortcomings. See paragraphs 93 to 97 of the report.
TOTAL	630,404	281,308	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: The New Arz Show Co. W.L.L.

UNCC claim number: 4003447

UNSEQ number: E-00314

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	5,199	5,199	Claim reclassified to loss of tangible property and stock. Tangible property claim awarded in full. See paragraphs 42-57 of the report.
Loss of stock	345,720	133,918	Stock claim adjusted to reflect historical levels, for stock build-up and obsolescence. Goods in transit claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of profits	88,844	26,606	Claim adjusted to reflect historical results. See paragraphs 67-77 of the report.
Bad debts	72,349	0	Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
TOTAL	512,112	165,723	

Claim preparation costs	2,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims
Reported by claimant name and category of loss

Claimant's name:	Chebibco Clothes and Novette Company
UNCC claim number:	4003448
UNSEQ number:	E-00315

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	239,744	0	Original tangible property claim reclassified to loss of stock. Claim adjusted for evidentiary shortcomings. See paragraphs 42-57 of the report.
TOTAL	239,744	0	

Claim preparation costs	2,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: American Eastern Limited
UNCC claim number: 4003449
UNSEQ number: E-00316

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	2,900	1,452	Claim reclassified to loss of tangible property, stock, cash and vehicles. Tangible property claim adjusted for depreciation. See paragraphs 42-57 of the report.
Loss of stock	117,476	47,954	Stock claim adjusted for evidentiary shortcomings and for obsolescence. Insufficient evidence provided to substantiate goods in transit claim. See paragraphs 42-57 of the report.
Loss of cash	275	0	Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
Loss of vehicles	1,500	1,500	Claim awarded in full. See paragraphs 42-57 of the report.
Loss of profits	29,366	13,332	Original contracts claim reclassified to loss of profits. Claim adjusted to reflect historical results. See paragraphs 67-77 of the report.
Bad debts	46,317	0	Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
TOTAL	197,834	64,238	

Claim preparation costs	1,032	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Asfar Car Co.
UNCC claim number: 4003450
UNSEQ number: E-00317

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of vehicles	131,400	82,443	Original tangible property claim reclassified to loss of vehicles. Claim adjusted to reflect M.V.V. Table values. See paragraphs 42-57 of the report.
Loss of profits	35,262	3,526	Claim adjusted for evidentiary shortcomings, lack of other financial information and windfall profits. See paragraphs 67-77 of the report.
TOTAL	166,662	85,969	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Mahmoud Mohammed Al-Ghanim & Partner for Import & Export Co. W.L.L.
UNCC claim number: 4003451
UNSEQ number: E-00318

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	2,505	2,505	Claim reclassified to loss of tangible property and stock. Tangible property claim awarded in full. See paragraphs 42-57 of the report.
Loss of stock	191,588	162,850	Claim adjusted for stock build-up. See paragraphs 42-57 of the report.
TOTAL	194,093	165,355	

Claim preparation costs	1,250	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al Othman and Nezam for Building Contracts
UNCC claim number: 4003499
UNSEQ number: E-00319

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	5,975	5,942	Claim adjusted for depreciation. See paragraphs 42-57 of the report.
Loss of profits	193,638	39,937	Original loss of contracts claim reclassified to loss of profits and bad debts. Claim reduced from gross to net profit based on the evidence provided, and adjusted for windfall profits and evidentiary shortcomings. See paragraphs 67-77 of the report.
Bad debts	179,340	0	Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
TOTAL	378,953	45,879	

Claim preparation costs	1,200	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Asaad Al-Abdul Karim & Partners
UNCC claim number:	4003500
UNSEQ number:	E-00320

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	5,000	3,400	Original restart of business claim reclassified to loss of real property. Real property claim adjusted for normal maintenance and evidentiary shortcomings. See paragraphs 36-41 of the report.
Loss of stock	59,164	43,307	Original tangible property claim reclassified to loss of stock and vehicles. Stock claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of vehicles	2,360	2,360	Claim awarded in full. See paragraphs 42-57 of the report.
Loss of profits	13,582	10,186	Claim adjusted for windfall profits. See paragraphs 67-77 of the report.
Bad debts	9,719	0	Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
TOTAL	89,825	59,253	

Claim preparation costs	1,000	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Arab Food Services, Mahmoud Mohammed Alghanim and Partner W.L.L.
UNCC claim number:	4003501
UNSEQ number:	E-00321

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	5,222	50	Original restart of business claim reclassified to loss of real property. Claim adjusted for evidentiary shortcomings. See paragraphs 36-41 of the report.
Loss of tangible property	167,197	167,197	Claim reclassified to loss of tangible property, stock, cash and vehicles. Tangible property claim awarded in full. See paragraphs 42-57 of the report.
Loss of stock	70,841	44,634	Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of cash	4,707	0	Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
Loss of vehicles	15,191	0	Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
Loss of profits	4,592	0	Original income producing property claim reclassified to loss of profits. Historical results for the relevant period show a net loss; accordingly, no compensation recommended. See paragraphs 67-77 of the report.
Bad debts	3,173	0	Original contracts claim reclassified to bad debts. Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
TOTAL	270,923	211,881	
Claim preparation cost	1,750	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al-Sultan & Khalaf Trading Co.
UNCC claim number: 4003502
UNSEQ number: E-00322

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	6,056	3,870	Original tangible property claim reclassified to loss of stock. Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of profits	109,405	82,054	Claim adjusted for windfall profits. See paragraphs 67-77 of the report.
TOTAL	115,461	85,924	

Claim preparation cost	3,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Sultan Real Estate Co. W.L.L.
UNCC claim number:	4003503
UNSEQ number:	E-00323

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	1,140,291	855,553	Claim adjusted for depreciation and normal maintenance. See paragraphs 36-41 of the report.
Loss of tangible property	207,906	16,666	Claim adjusted to reflect book value. See paragraphs 42-57 of the report.
TOTAL	1,348,197	872,219	

Claim preparation costs	4,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al-Dahahia Sanitaryware Co.
UNCC claim number: 4003504
UNSEQ number: E-00324

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	129,112	101,030	Original tangible property claim reclassified to loss of stock. Claim adjusted to reflect roll-forward calculation, for stock build-up and obsolescence. See paragraphs 42-57 of the report.
TOTAL	129,112	101,030	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: The National Factory for Fiberglass W.L.L.
UNCC claim number: 4003505
UNSEQ number: E-00325

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	36,436	36,436	Claim awarded in full. See paragraphs 36-41 of the report.
Loss of tangible property	5,833	5,833	Claim reclassified to loss of tangible property and stock. Tangible property claim awarded in full. See paragraphs 42-57 of the report.
Loss of stock	615,814	307,721	Claim adjusted for evidentiary shortcomings, for stock build-up and obsolescence. See paragraphs 42-57 of the report.
Loss of profits	124,528	75,271	Claim adjusted to reflect historical results. See paragraphs 67-77 of the report.
TOTAL	782,611	425,261	

Claim preparation costs	1,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Faiha Sports Equipment W.L.L.
UNCC claim number: 4003506
UNSEQ number: E-00326

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	4,700	4,460	Claim reclassified to loss of tangible property and stock. Tangible property claim adjusted for normal maintenance. See paragraphs 42-57 of the report.
Loss of stock	123,954	98,714	Claim adjusted to reflect roll-forward calculation and for obsolescence. See paragraphs 42-57 of the report.
Loss of profits	3,240	0	Historical results for the relevant period show a net loss; accordingly, no compensation recommended. See paragraphs 67-77 of the report.
Bad debts	6,884	0	Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
TOTAL	138,778	103,174	

Claim preparation costs	1,800	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Ahmad Abdulaziz Al-Mutawa Group, W.L.L.
UNCC claim number: 4003507
UNSEQ number: E-00327

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	7,337	5,032	Claim reclassified to loss of tangible property, stock and vehicles. Tangible property claim adjusted for depreciation and failure to repair/replace. See paragraphs 42-57 of the report.
Loss of stock	26,836	9,976	Claim adjusted for obsolescence, evidentiary shortcomings and overstocking. See paragraphs 42-57 of the report.
Loss of vehicles	19,609	16,134	Claim adjusted for evidentiary shortcomings and to reflect M.V.V. Table values. See paragraphs 42-57 of the report.
TOTAL	53,782	31,142	

Claim preparation costs	700	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	8,422	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Waleed Al-Humaidi Electrical Trading and Contracting Co.
UNCC claim number: 4003508
UNSEQ number: E-00328

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	34,394	0	The claim was adjusted for evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of cash	3,226	0	Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
Bad debts	178,824	0	Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
TOTAL	216,444	0	

Claim preparation costs	2,000	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al-Bader Trading Company W.L.L.
UNCC claim number: 4003509
UNSEQ number: E-00329

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	35,001	28,001	Claim adjusted for normal maintenance. See paragraphs 36-41 of the report.
Loss of tangible property	37,275	27,696	Claim reclassified to loss of tangible property, stock, cash and vehicles. Tangible property claim adjusted for failure to repair/replace assets. See paragraphs 42-57 of the report.
Loss of stock	660,477	481,712	Claim adjusted for obsolescence and to reflect roll-forward calculation. Goods in transit claim adjusted for evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of cash	7,590	0	Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
Loss of vehicles	3,200	3,200	Claim awarded in full. See paragraphs 42-57 of the report.
Loss of profits	171,078	69,661	Claim adjusted to reflect historical results. See paragraphs 67-77 of the report.
TOTAL	914,621	610,270	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al-Othman & Al-Bisher Trd. Co. W.L.L.
UNCC claim number:	4003510
UNSEQ number:	E-00330

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	4,287	3,854	Claim reclassified to loss of tangible property, stock and vehicles. Tangible property claim adjusted for depreciation. See paragraphs 42-57 of the report.
Loss of stock	736,492	502,248	Claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of vehicles	15,280	13,966	Claim adjusted to M.V.V. Table values. See paragraphs 42-57 of the report.
Loss of profits	69,936	22,980	Claim adjusted to reflect historical values. See paragraphs 67-77 of the report.
Bad debts	70,753	0	Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
TOTAL	896,748	543,048	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Al-Shamroukh National Co.
UNCC claim number: 4003452
UNSEQ number: E-00331

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	1,179	590	Claim reclassified to loss of tangible property and stock. Tangible property claim adjusted for depreciation. See paragraphs 42-57 of the report.
Loss of stock	70,860	35,556	Claim adjusted for stock build-up and obsolescence. See paragraphs 42-57 of the report.
Loss of profits	23,570	11,452	Claim adjusted to reflect historical results and for evidentiary shortcomings. See paragraphs 67-77 of the report.
TOTAL	95,609	47,598	

Claim preparation costs	549	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Gulf Marble Co. Ltd.
UNCC claim number: 4003453
UNSEQ number: E-00332

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	385	381	Claim reclassified to loss of tangible property, stock and vehicles. Tangible property claim adjusted based on recognized foreign exchange rate. See paragraphs 42-57 of the report.
Loss of stock	3,364	2,443	Claim adjusted to reflect foreign exchange rate in existence and for obsolescence. See paragraphs 42-57 of the report.
Loss of vehicles	7,500	2,338	Claim adjusted to M.V.V. Table values and for evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of profits	29,574	20,286	Claim adjusted to reflect historical values. See paragraphs 67-77 of the report.
TOTAL	40,823	25,448	

Claim preparation cost	500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Alghanim Decoration Centre Company
UNCC claim number:	4003454
UNSEQ number:	E-00333

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	6,972	6,972	Original claim reclassified to loss of stock. Original other loss not categorized claim reclassified to loss of tangible property. Tangible property claim awarded in full. See paragraphs 42-57 of the report.
Loss of stock	45,940	35,144	Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of profits	11,594	8,695	Claim adjusted for windfall profits. See paragraphs 67-77 of the report.
TOTAL	64,506	50,811	

Claim preparation costs	250	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	5,828	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Rezayat Trading Company/Abdulla Abdul Ghaffar Alireza & Partners W.L.L.
UNCC claim number: 4003455
UNSEQ number: E-00334

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	64,589	41,962	Claim adjusted for normal maintenance and depreciation. See paragraphs 36-41 of the report.
Loss of tangible property	16,683	14,234	Claim reclassified to loss of stock and vehicles. Tangible property claim adjusted for depreciation. See paragraphs 42-57 of the report.
Loss of stock	24,052	8,157	Claim adjusted for evidentiary shortcomings and obsolescence. See paragraphs 42-57 of the report.
Loss of vehicles	7,400	6,525	Claim adjusted to M.V.V. Table values. See paragraphs 42-57 of the report.
Payment or relief to others	27,966	23,771	Claim reclassified to payment or relief to others, restart costs and loss of profits. Claim adjusted for evidentiary shortcomings. See paragraphs 58-66 of the report.
Loss of profits	141,694	106,270	Claim adjusted for windfall profits. See paragraphs 67-77 of the report.
Bad debts	4,562	0	Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
Loss due to restart of business	28,660	17,546	Claim adjusted for evidentiary shortcomings. See also paragraph 90 of the report.
Other loss not categorized	653	0	Claim adjusted as per paragraph 103.
TOTAL	316,259	218,465	

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: National Contracting Company/ Abdulla Abdul Ghaffar Alireza & Co. W.L.L.
UNCC claim number: 4003456
UNSEQ number: E-00335

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	6,992	3,794	Claim adjusted for normal maintenance and failure to repair/replace assets. See paragraphs 36-41 of the report.
Loss of profits	21,125	9,506	Claim adjusted for evidentiary shortcomings. See paragraphs 67-77 of the report.
TOTAL	28,117	13,300	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Real Estate Investment Co.
UNCC claim number:	4003457
UNSEQ number:	E-00336

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of profits	1,046,134	757,310	Claim adjusted to reflect historical values. See paragraphs 67-77 of the report.
TOTAL	1,046,134	757,310	

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Middle East Electric Co. W.L.L.
UNCC claim number: 4003458
UNSEQ number: E-00337

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	9,518	7,051	Claim reclassified to loss of tangible property, cash and vehicles. Tangible property claim adjusted for depreciation and failure to repair/replace assets. See paragraphs 42-57 of the report.
Loss of cash	4	4	Claim awarded in full. See paragraphs 42-57 of the report.
Loss of vehicles	12,500	10,866	Claim adjusted to M.V.V. Table values. See paragraphs 42-57 of the report.
Payment or relief to others	4,593	4,593	Claim reclassified to payment or relief to others and loss of profits. Claim awarded in full. See paragraph 65 of the report.
Loss of profits	22,000	22,000	Claim awarded in full. See paragraph 74 of the report.
TOTAL	48,615	44,514	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Abo Khlaf & Abo Obaid Trading & General Contracting
UNCC claim number:	4003459
UNSEQ number:	E-00338

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	15,511	12,409	Claim reclassified to loss of tangible property, stock and cash. Tangible property claim adjusted for failure to repair/replace assets. See paragraphs 42-57 of the report.
Loss of stock	1,670	977	Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of cash	5,936	0	Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
TOTAL	23,117	13,386	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al Farah Cleaning Co. Bader Mustafa Karam & Sons W.L.L.
UNCC claim number:	4003460
UNSEQ number:	E-00339

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	2,100	1,680	Original restart of business claim reclassified to loss of tangible property and payment or relief to others. Tangible property claim adjusted for normal maintenance. See paragraphs 42-57 of the report.
Payment or relief to others	1,432	1,432	Claim awarded in full. See paragraphs 58-66 of the report.
Loss of profits	37,782	20,333	Claim adjusted to reflect historical results and for evidentiary shortcomings. See paragraphs 67-77 of the report.
TOTAL	41,314	23,445	

Claim preparation costs	500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Fajr Al Tahreer Trading & Construction Contracting Co. W.L.L.
UNCC claim number: 4003461
UNSEQ number: E-00340

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	94,582	64,852	Original tangible property claim reclassified to loss of stock. Claim adjusted for obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of profits	36,546	1,575	Original payment or relief to others and other loss claim reclassified to loss of profits. Claim adjusted to reflect historical results and for windfall profits. See paragraphs 67-77 of the report.
TOTAL	131,128	66,427	

Claim preparation costs	1,200	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: International Kitchen Furniture Co. W.L.L.
UNCC claim number: 4003462
UNSEQ number: E-00341

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	12,260	9,808	Original restart of business claim reclassified to loss of real property and profits. Real property claim adjusted for normal maintenance. See paragraphs 36-41 of the report.
Loss of tangible property	949	774	Claim reclassified to loss of tangible property, stock and vehicles. Tangible property claim adjusted for evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of stock	201,330	179,367	Stock claim adjusted for stock build-up. Goods in transit claim adjusted for evidentiary shortcomings and obsolescence. See paragraphs 42-57 of the report.
Loss of vehicles	1,150	1,150	Claim awarded in full. See paragraphs 42-57 of the report.
Loss of profits	89,272	4,348	Claim adjusted to reflect historical results and for windfall profits. See paragraphs 67-77 of the report.
TOTAL	304,961	195,447	

Claim preparation costs	500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Five Ocean Trading Contracting Co.
UNCC claim number: 4003463
UNSEQ number: E-00342

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	23,911	3,617	Claim reclassified to loss of tangible property, stock and vehicles. Tangible property claim adjusted for depreciation, failure to repair/replace and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of stock	88,330	0	Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
Loss of vehicles	9,750	8,400	Claim adjusted to M.V.V. Table values. See paragraphs 42-57 of the report.
Loss of profits	62,360	0	Historical results for the relevant period show a net loss; accordingly, no compensation recommended. See paragraphs 67-77 of the report.
TOTAL	184,351	12,017	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al Rashid Exhibition Co. (Novelties-Watches) Turki Othman Yusuf Al Rashid Al Duwaihi and Partners (Joint Partnership)
UNCC claim number:	4003464
UNSEQ number:	E-00343

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	117,328	59,658	Original tangible property claim reclassified to loss of stock. Claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of profits	23,477	12,431	Claim adjusted to reflect historical results and evidentiary shortcomings. See paragraphs 67-77 of the report.
TOTAL	140,805	72,089	

Claim preparation costs	2,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Behbehani Electronic Appliances & Trading Company
UNCC claim number: 4003465
UNSEQ number: E-00344

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	3,933	3,146	Original restart of business claim reclassified to loss of tangible property. Tangible property claim adjusted for normal maintenance. See paragraphs 42-57 of the report.
Loss of stock	112,496	86,500	Original tangible property claim reclassified to loss of stock and cash. Stock claim adjusted for evidentiary shortcomings and for stock build-up. See paragraphs 42-57 of the report.
Loss of cash	2,799	0	Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
Bad debts	64,183	0	Insufficient evidence provided to substantiate claim. See paragraphs 78-85 of the report.
TOTAL	183,411	89,646	

Claim preparation costs	1,250	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	28,504	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims
Reported by claimant name and category of loss

Claimant's name: Al Wehaib & Al-Dakheel Trading & Transport Co.
UNCC claim number: 4003466
UNSEQ number: E-00345

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of vehicles	91,859	90,136	Original tangible property claim reclassified to loss of vehicles. Claim adjusted as per paragraphs 42-57 of the report.
TOTAL	91,859	90,136	

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: Kuwait Development & Trading Co.
UNCC claim number: 4003468
UNSEQ number: E-00348

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	28,500	18,240	Claim adjusted for normal maintenance and evidentiary shortcomings. See paragraphs 36-41 of the report.
Loss of tangible property	22,859	4,202	Claim reclassified to loss of tangible property and stock. Tangible property claim adjusted to amount supported by evidence. See paragraphs 42-57 of the report.
Loss of stock	240,328	187,405	Claim adjusted for evidentiary shortcomings and obsolescence. See paragraphs 42-57 of the report.
Loss of profits	319,385	108,884	Claim adjusted to reflect historical results and for windfall profits. See paragraphs 67-77 of the report.
TOTAL	611,072	318,731	

Claim preparation costs	4,000	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al-Koubra International Company W.L.L.
UNCC claim number:	4003469
UNSEQ number:	E-00349

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	25,012	19,125	Original tangible property claim reclassified to loss of stock. Claim adjusted for evidentiary shortcomings. See paragraphs 42-57 of the report.
TOTAL	25,012	19,125	

Claim preparation costs	1,000	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al-Moudyan Lighting Centre Co. W.L.L.
UNCC claim number:	4003470
UNSEQ number:	E-00350

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of stock	375,972	255,661	Original tangible property claim reclassified to loss of stock. Claim adjusted for obsolescence and stock build-up. See paragraphs 42-57 of the report.
Loss of profits	153,648	115,236	Claim adjusted for evidentiary shortcomings. See paragraphs 67-77 of the report.
TOTAL	529,620	370,897	

Claim preparation costs	1,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

Annex II

Recommended awards for fourth instalment of "E4" claims
Reported by claimant name and category of loss

Claimant's name: Ajal Contracting & General Trading Co. W.L.L.
UNCC claim number: 4003471
UNSEQ number: E-00351

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	13,963	13,963	Claim awarded in full. See paragraphs 36-41 of the report.
Loss of tangible property	11,480	11,480	Claim reclassified to loss of tangible property, stock, cash and vehicles. Tangible property claim awarded in full. See paragraphs 42-57 of the report.
Loss of stock	286,007	140,384	Claim adjusted for stock build-up, obsolescence and evidentiary shortcomings. See paragraphs 42-57 of the report.
Loss of cash	190	0	Insufficient evidence provided to substantiate claim. See paragraphs 42-57 of the report.
Loss of vehicles	6,830	2,002	Claim adjusted to reflect M.V.V. Table values. See paragraphs 42-57 of the report.
Loss of profits	47,040	0	Insufficient evidence provided to substantiate claim as per paragraph 76 of the report.
TOTAL	365,510	167,829	

Claim preparation costs	3,000	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name: United Fiberglass & Cont. Co.
UNCC claim number: 4003472
UNSEQ number: E-00352

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of tangible property	4,504	3,555	Claim reclassified to loss of tangible property and stock. Claim adjusted to amount supported by evidence. See paragraphs 42-57 of the report.
Loss of stock	28,444	15,363	Claim adjusted for evidentiary shortcomings and obsolescence. See paragraphs 42-57 of the report.
TOTAL	32,948	18,918	

Claim preparation costs	1,000	n.a.	Governing Council's determination pending. See paragraph 106 of the report.

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Annex II

Recommended awards for fourth instalment of "E4" claims

Reported by claimant name and category of loss

Claimant's name:	Al-Mabroor Group Gen. & Trad. Cont. Co. W.L.L.
UNCC claim number:	4003473
UNSEQ number:	E-00353

Category of loss	Amount asserted (KD)	Amount recommended (KD)	Comments
Loss of real property	6,877	6,877	Original tangible property claim reclassified to loss of real property and stock. Real property claim awarded in full. See paragraphs 36-41 of the report.
Loss of stock	39,246	31,397	Claim adjusted for obsolescence. See paragraphs 42-57 of the report.
Loss of profits	65,814	0	Historical results for the relevant period show a net loss; accordingly, no compensation recommended. See paragraphs 67-77 of the report.
TOTAL	111,937	38,274	

Claim preparation costs	1,500	n.a.	Governing Council's determination pending. See paragraph 106 of the report.
Interest	10,021	n.a.	Governing Council's determination pending. See paragraph 105 of the report.

Annex X

Decision concerning the fourth instalment of E4 claims taken by the Governing Council of the United Nations Compensation Commission at its 90th meeting, held at Geneva on 30 September 1999*

The Governing Council,

Having received, in accordance with article 38 of the Provisional Rules for Claims Procedure, the report and recommendations made by the panel of Commissioners concerning the fourth instalment of "E4" claims, covering one hundred and forty claims, 1/

Having received an information note dated 8 September 1999 from the secretariat stating that, in paragraph 60 of the report, the Panel considered that the claimed relief payments were in the nature of "on-going ordinary living" payments and expenses and not of a "temporary and extraordinary" nature,

Recalls that paragraph 22 of decision 7 of the Governing Council permits the payment of claims for "payments made or relief provided by corporations or other entities to others ... for losses covered by any of the criteria adopted by the Council" with no distinction made between payments made or relief provided as a result of contractual obligations or otherwise,

1. Approves the recommendations made by the panel of Commissioners, and, accordingly,

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* Previously issued as document S/AC.26/Dec.78 (1999).

1/ The text of the report appears in document S/AC.26/1999/18 (annex IX above).

2. Decides, pursuant to article 40 of the Rules, to approve the amounts of the recommended awards concerning the claims covered in the report. The aggregate amount awarded, as noted in annex I of the report, is as follows:

Country	Number of claims recommended for payment	Number of claims not recommended for payment	Amount of compensation claimed (US$)	Amount of compensation recommended (US$)
Kuwait	135	5	158,168,903	69,998,366

3. Reaffirms that when funds become available payments shall be made in accordance with decision 73 (S/AC.26/Dec.73 (1999)),

4. Recalls that when payments are made in accordance with decision 73 (S/AC.26/Dec.73 (1999)) and pursuant to the terms of decision 18 (S/AC.26/Dec.18 (1994)), Governments shall distribute amounts received to the designated claimants in respect of approved awards within six months of receiving payment, and shall, not later than three months after the expiration of this time limit, provide information on such distribution,

5. Requests the Executive Secretary to provide a copy of the report to the Secretary-General, to the Government of the Republic of Iraq and to the Government of the State of Kuwait.

Annex XI

Seventh report of the Executive Secretary pursuant to article 41 of the Provisional Rules for Claims Procedure: corrections to approved claim awards*

1. The present report identifies, pursuant to article 41 of the Provisional Rules For Claims Procedure (S/AC.26/1992/10) (the "Rules"), corrections to approved claim awards in category "A".

2. As noted in previous reports of the Executive Secretary, corrections have typically been reported by the Commissioner panels in their reports and recommendations to the Governing Council. However, the category "A" Panel has concluded its work and no longer sits. Therefore, corrections to approved claim awards in category "A" are reported by the Executive Secretary to the Governing Council instead.

I. CORRECTIONS TO APPROVED CLAIM AWARDS

3. Recommendations for corrections to category "A" claims include corrections as a result of applying the high "A" matching programme to the second and third instalments of category "A" claims and of duplicate claims reported by Governments (including the reinstatement of claims that were originally reported as duplicates but as a result of information received from Governments have been shown to be claims submitted by different individuals).

A. Matching of high category "A" claims against claims in categories "B", "C" and "D"

4. Decision 21 (S/AC.26/Dec.21 (1994)) of the Governing Council states that "any claimant who has selected a higher amount under category 'A' (US$4,000 or US$8,000) and has also filed a category 'B', 'C' or 'D' claim

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* Previously issued as document S/AC.26/1999/19.

will be deemed to have selected the corresponding lower amount under category 'A'". The Commission applied the high "A" matching programme for the second and third instalments of category "A" claims against all claims data in categories "B", "C" and "D" in order to determine those claims that were filed for higher amounts in category "A" and that also have claims in those other categories.

5. Claimants with claims that were filed for the higher amount in category "A" that have been found to have filed claims in other categories have had their claim amounts adjusted downward in accordance with decision 21. A total of 3,355 claims from 25 Governments and 4 international organizations were detected by the high "A" matching programme. The adjusted claim awards have been included in the corrected total recommended awards in chapter I, section D, infra. The results of the high "A" matching programme for the remaining instalments of category "A" claims will be reported to the Governing Council at its thirty-fourth session, to be held from 7 to 9 December 1999.

B. Duplicate claims

6. Since the last article 41 report, a total of 26 claims have been found to be duplicates of other claims also awarded compensation in category "A". No compensation should be awarded for the duplicate claims and the total recommended awards should be revised accordingly. The following table identifies the Governments concerned, the instalments to be adjusted, the total number of claims to be corrected and the total amount by which the instalment will be reduced.

Table 1. Duplicate claims

Government	Instalment	Total number of duplicate claims	Amount of reduction (US$)
India	First	1	(5,000.00)
	Second	1	(4,000.00)
	Fourth	6	(24,500.00)
	Fifth	6	(24,000.00)
Pakistan	Special	1	(4,000.00)
Philippines	Third	1	(4,000.00)
Turkey	Fourth	1	(4,000.00)
	Fifth	7	(22,000.00)
	Sixth	2	(12,000.00)
Total		26	(103,500.00)

7. The adjusted claim awards have been included in the corrected total recommended awards in chapter I, section D, infra.

C. Other corrections

8. In the sixth instalment report on category "A" claims, two claims submitted by Vietnam and one claim submitted by Yemen were identified as duplicates of other claims awarded compensation in the same instalment. However, additional information submitted by the Governments of Vietnam and Yemen has now shown that the claims were in fact submitted by different individuals and that no duplication exists in these situations. The total recommended awards for Vietnam and Yemen in the sixth instalment should be revised accordingly.

9. In the sixth article 41 report, one claim that had been submitted in the fourth instalment by Turkey was identified as a duplicate of a claim awarded compensation in the fifth instalment. Additional information submitted by the Government of Turkey has now shown that the claims were in fact submitted by different individuals and that no duplication exists in this situation. The total recommended award for Turkey in the fourth instalment should be revised accordingly.

10. At the request of the Government of Canada and with the agreement of the United Nations Development Programme (UNDP) in Yemen, one claim submitted by UNDP Yemen and approved in the sixth instalment has been transferred to Canada.

D. Corrected amounts by instalment

11. Based on the above corrections, the category "A" claims aggregate corrected amounts per country, by claim instalment, are as follows:

Table 2. First instalment corrections

Country or international organization	Previous total recommended award (US$)	Corrected total recommended award (US$)
India	25,048,000.00	25,043,000.00

Table 3. Second instalment corrections

Country or international organization	Previous total recommended award (US$)	Corrected total recommended award (US$)
India	50,859,500.00	50,855,500.00

Table 4. Third instalment corrections

Country or international organization	Previous total recommended award (US$)	Corrected total recommended award (US$)
Egypt	174,390,500.00	174,194,000.00
India	a/ 17,001,000.00	16,732,500.00
Iran	68,574,500.00	68,447,000.00
Jordan	93,844,500.00	91,939,500.00
Kuwait	104,632,000.00	104,620,000.00
Pakistan	180,500.00	174,500.00
Phillippines	5,519,500.00	5,487,000.00
Sri Lanka	a/ 52,421,000.00	52,421,000.00
Sudan	b/ 11,947,000.00	b/ 11,945,500.00
Thailand	b/ 3,523,500.00	b/ 3,520,500.00

a/ In the sixth article 41 report the corrected total recommended awards for the third instalment for India and Sri Lanka were reported as US$16,993,000.00 and US$52,409,000.00 respectively. These amounts did not include amounts for claims that had previously been set aside pending receipt of additional information for payment purposes. In this report, the previous total recommended award fields reflect the amounts that should have appeared in the corrected total recommended award fields in the last report for these two countries.

b/ These amounts include claims from the fourth instalment that the Governing Council decided be paid as part of the third instalment.

Table 5. Fourth instalment corrections

Country or international organization	Previous total recommended award (US$)	Corrected total recommended award (US$)
Algeria	26,500.00	17,500.00
Bangladesh	52,835,500.00	52,481,500.00
Egypt	207,798,000.00	207,343,500.00
Ethiopia	192,500.00	168,500.00
Hungary	114,000.00	111,000.00
India	148,425,500.00	146,328,000.00
Iran	3,593,000.00	3,515,000.00
Ireland	129,500.00	126,500.00
Italy	184,000.00	182,500.00
Jordan	17,837,500.00	17,441,500.00
Kuwait	40,990,500.00	40,986,000.00
Netherlands	37,000.00	34,000.00
Pakistan	22,851,500.00	22,616,000.00
Philippines	30,558,000.00	30,465,000.00

Country or international organization	Previous total recommended award (US$)	Corrected total recommended award (US$)
Poland	3,788,500.00	3,785,500.00
Republic of Korea	1,208,500.00	1,205,500.00
Slovakia a/	260,500.00	257,500.00
Somalia	515,500.00	511,000.00
Sri Lanka	71,729,500.00	71,728,000.00
Sudan	b/ 10,243,000.00	b/ 10,223,500.00
Syria	26,612,500.00	26,176,000.00
Thailand	b/ 2,597,500.00	b/ 2,590,000.00
Tunisia	317,500.00	314,500.00
Turkey	6,297,000.00	6,288,000.00
Yemen	25,645,000.00	25,540,000.00
UNDP Jerusalem	78,000.00	75,000.00
UNHCR Canada	56,000.00	53,000.00
UNHCR Geneva	30,500.00	27,500.00
UNRWA Gaza	690,000.00	687,000.00

a/ Claims listed under Slovakia were initially filed by the Czech and Slovak Federal Republic. Pursuant to an agreement between the Governments of the Slovak Republic and Czech Republic, awards of compensation have to be paid to these two governments respectively. The amounts identified in this table for Slovakia represent the Slovak Republic's portion of the recommended awards for the fourth instlament.

b/ These amounts exclude those claims that the Governing Council decided be paid as part of the first, second and third instalments.

Table 6. Fifth instalment corrections

Country or international organization	Previous total recommended award (US$)	Corrected total recommended award (US$)
India	150,137,000.00	150,113,000.00
Turkey	6,514,000.00	6,492,000.00

Table 7. Sixth instalment corrections

Country or international organization	Previous total recommended award (US$)	Corrected total recommended award (US$)
Canada	a/ 59,000.00	67,000.00
Turkey	1,566,000.00	1,554,000.00
Vietnam	3,484,000.00	3,492,000.00
Yemen	1,855,500.00	1,859,500.00
UNDP Yemen	a/ 807,000.00	799,000.00

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a/ In the sixth article 41 report the corrected total award for Canada was reported as US$67,000. That amount inadvertently included the claim transferred from UNDP Yemen to Canada (see paragraph 10, *supra*). The transferred claim is included in this seventh article 41 report and the corrected total recommended awards for Canada and UNDP Yemen have been adjusted accordingly.

Table 8. Special instalment corrections

Country or international organization	Previous total recommended award (US$)	Corrected total recommended award (US$)
Pakistan	2,558,500.00	2,554,500.00

12. Based on the above corrections, the revised total recommended awards by instalment are as follows:

Table 9. Revised total recommended awards

Instalment	Previous total recommended award (US$) b/	Corrected total recommended award (US$)
First	189,638,000.00	189,633,000.00
Second	641,356,500.00	641,352,500.00
Third	a/ 534,123,500.00	531,571,000.00
Fourth	739,203,000.00	734,839,000.00
Fifth	789,889,000.00	789,843,000.00
Sixth	320,542,000.00	320,542,000.00
Special	2,558,500.00	2,554,500.00

a/ This amount includes those claims identified in note a/ in table 4, *supra*, that had not been included in the sixth article 41 report.

b/ The previous total recommended award amounts in this column include the initial awards approved by the Governing Council in its decisions 22, 28, 29, 31, 33, 38 and 67 (S/AC.26/Dec.22 (1994), S/AC.26/Dec.28 (1995), S/AC.26/Dec.29 (1995), S/AC.26/Dec.31 (1995), S/AC.26/Dec.33 (1995), S/AC.26/Dec.38 (1996) and S/AC.26/Dec.67 (1999)) and subsequent corrections approved by the Governing Council in its decisions 42, 44, 51, 54, 57 and 71 (S/AC.26/Dec.42 (1997), S/AC.26/Dec.44 (1997), S/AC.26/Dec.51 (1998), S/AC.26/Dec.54 (1998), S/AC.26/Dec.57 (1998) and S/AC.26/Dec.71 (1999).

Annex XII

Decision concerning the correction of awards for category A claims pursuant to article 41 of the Provisional Rules for Claims Procedure taken by the Governing Council of the United Nations Compensation Commission at its 90th meeting, held at Geneva on 30 September 1999*

The Governing Council,

Having received, in accordance with article 41 of the Provisional Rules For Claims Procedure (S/AC.26/1992/10) ("the Rules"), a report by the Executive Secretary concerning the correction of awards for claims in category "A" 1/

1. Decides, pursuant to article 41 of the Rules, to correct the amounts of the approved awards for Governments and international organizations. 2/ The aggregate corrected amounts per country and instalment, are as follows:

First instalment corrections

Country or international organization	Previous total recommended award (US$)	Corrected total recommended award (US$)
India	25,048,000.00	25,043,000.00

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* Previously issued as document S/AC.26/Dec.79 (1999).

1/ The text of the report appears in document S/AC.26/1999/19 (annex XI above).

2/ In conformity with the provisions on confidentiality in the Provisional Rules for Claims Procedure (articles 30, paragraph 1, and 40, paragraph 5), a table containing the breakdown of the corrected amounts to be paid to each individual claimant will not be made public, but will be provided to each respective Government separately.

Second instalment corrections

Country or international organization	Previous total recommended award (US$)	Corrected total recommended award (US$)
India	50,859,500.00	50,855,500.00

Third instalment corrections

Country or international organization	Previous total recommended award (US$)	Corrected total recommended award (US$)
Egypt	174,390,500.00	174,194,000.00
India	17,001,000.00 a/	16,732,500.00
Iran	68,574,500.00	68,447,000.00
Jordan	93,844,500.00	91,939,500.00
Kuwait	104,632,000.00	104,620,000.00
Pakistan	180,500.00	174,500.00
Phillippines	5,519,500.00	5,487,000.00
Sri Lanka	52,421,000.00 a/	52,421,000.00
Sudan	11,947,000.00 b/	11,945,500.00 b/
Thailand	3,523,500.00 b/	3,520,500.00 b/

a/ In decision 71 (S/AC.26/Dec.71 (1999), the corrected total recommended awards for the third instalment for India and Sri Lanka were reported as US$16,993,000.00 and US$52,409,000.00 respectively. These amounts did not include amounts for claims that had previously been set aside pending receipt of additional information for payment purposes. In this decision, the previous total recommended award fields reflect the amounts that should have appeared in the corrected total recommended award fields in decision 71 for these two countries.

b/ These amounts include claims from the fourth instalment that the Governing Council decided be paid as part of the third instalment.

Fourth instalment corrections

Country or international organization	Previous total recommended award (US$)	Corrected total recommended award (US$)
Algeria	26,500.00	17,500.00
Bangladesh	52,835,500.00	52,481,500.00
Egypt	207,798,000.00	207,343,500.00
Ethiopia	192,500.00	168,500.00
Hungary	114,000.00	111,000.00
India	148,425,500.00	146,328,000.00
Iran	3,593,000.00	3,515,000.00
Ireland	129,500.00	126,500.00
Italy	184,000.00	182,500.00

Country or international organization	Previous total recommended award (US$)	Corrected total recommended award (US$)
Jordan	17,837,500.00	17,441,500.00
Kuwait	40,990,500.00	40,986,000.00
Netherlands	37,000.00	34,000.00
Pakistan	22,851,500.00	22,616,000.00
Philippines	30,558,000.00	30,465,000.00
Poland	3,788,500.00	3,785,500.00
Republic of Korea	1,208,500.00	1,205,500.00
Slovakia a/	260,500.00	257,500.00
Somalia	515,500.00	511,000.00
Sri Lanka	71,729,500.00	71,728,000.00
Sudan	10,243,000.00 b/	10,223,500.00 b/
Syria	26,612,500.00	26,176,000.00
Thailand	2,597,500.00 b/	2,590,000.00 b/
Tunisia	317,500.00	314,500.00
Turkey	6,297,000.00	6,288,000.00
Yemen	25,645,000.00	25,540,000.00
UNDP Jerusalem	78,000.00	75,000.00
UNHCR Canada	56,000.00	53,000.00
UNHCR Geneva	30,500.00	27,500.00
UNRWA Gaza	690,000.00	687,000.00

a/ Claims listed under Slovakia were initially filed by the Czech and Slovak Federal Republic. Pursuant to an agreement between the Governments of the Slovak Republic and Czech Republic, awards of compensation have to be paid to these two governments respectively. The amounts identified in this table for Slovakia represent the Slovak Republic's portion of the recommended awards for the fourth instlament.

b/ These amounts exclude those claims that the Governing Council decided be paid as part of the first, second and third instalments.

Fifth instalment corrections

Country or international organization	Previous total recommended award (US$)	Corrected total recommended award (US$)
India	150,137,000.00	150,113,000.00
Turkey	6,514,000.00	6,492,000.00

Sixth instalment corrections

Country or international organization	Previous total recommended award (US$)	Corrected total recommended award (US$)
Canada	59,000.00 a/	67,000.00

Country or international organization	Previous total recommended award (US$)	Corrected total recommended award (US$)
Turkey	1,566,000.00	1,554,000.00
Vietnam	3,484,000.00	3,492,000.00
Yemen	1,855,500.00	1,859,500.00
UNDP Yemen	807,000.00 a/	799,000.00

a/ In decision 71 the corrected total award for Canada was reported as US$67,000. That amount inadvertently included a claim transferred from UNDP Yemen to Canada (see paragraph 10, of report S/AC.26/1999/R.34). The transferred claim is included in this decision and the corrected total recommended awards for Canada and UNDP Yemen have been adjusted accordingly.

Special instalment corrections

Country or international organization	Previous total recommended award (US$)	Corrected total recommended award (US$)
Pakistan	2,558,500.00	2,554,500.00

2. Based on the above corrections, the revised total recommended awards by instalment are as follows:

Revised total recommended awards

Instalment	Previous total recommended award (US$) a/	Corrected total recommended award (US$)
First	189,638,000.00	189,633,000.00
Second	641,356,500.00	641,352,500.00
Third	534,123,500.00 b/	531,571,000.00
Fourth	739,203,000.00	734,839,000.00
Fifth	789,889,000.00	789,843,000.00
Sixth	320,542,000.00	320,542,000.00
Special	2,558,500.00	2,554,500.00

a/ The previous total recommended award amounts in this column include the initial awards approved by the Governing Council in its decisions 22, 28, 29, 31, 33, 38 and 67 (S/AC.26/Dec.22 (1994), S/AC.26/Dec.28 (1995), S/AC.26/Dec.29 (1995), S/AC.26/Dec.31 (1995), S/AC.26/Dec.33 (1995), S/AC.26/Dec.38 (1996) and S/AC.26/Dec.67 (1999)) and subsequent corrections approved by the Governing Council in its decisions 42, 44, 51, 54, 57 and 71 (S/AC.26/Dec.42 (1997), S/AC.26/Dec.44 (1997), S/AC.26/Dec.51 (1998), S/AC.26/Dec.54 (1998), S/AC.26/Dec.57 (1998) and S/AC.26/Dec.71 (1999).

b/ This amount includes those claims identified in the third instalment corrections table in note a/, *supra*, that had not been included in decision 71.

/...

Annex XIII

Special report and recommendations of the category D Panel of Commissioners concerning adjustments to approved claim awards*

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* Previously issued as document S/AC.26/1999/20.

ADJUSTMENTS TO APPROVED CLAIM AWARDS AS A RESULT OF REVISED MATHEMATICAL CALCULATIONS

A. Deductions of category "A", "B" and "C" awards

1. In its reports on the first, second and third instalments of category "D" claims, the Panel put forward recommendations that expressly did not take into account any compensation that the claimants concerned might have been awarded in categories "A", "B" or "C". The reason was that, at that time, the processing of the category "C" claims had not yet been completed and the enhanced cross-category matching programme that allows the Commission to check claims data across several categories had not yet been implemented. In its reports, the Panel recommended that prior to the payment of awards in category "D", deductions be made from the "D" awards for losses also compensated in other claims categories. The Panel has been informed by the secretariat that with all of the "C" claims processed and the enhanced cross-category matching programme implemented, the required reductions can now be made.

2. The deductions applied to the category "D" claims include the following: deductions for compensation awarded in categories "A" and "C" for departure losses; deductions for compensation awarded in category "C" for mental pain and anguish; deductions for compensation awarded in categories "B" and/or "C" for medical expenses and loss of income due to personal injury; deductions for compensation awarded in categories "B" and/or "C" for expenses or loss of support due to the death of a spouse, child or parent; and deductions for compensation awarded in category "C" for loss of income, unpaid salaries or support.

3. Recommended awards in respect of category "D" claims in future instalments will be reported net of deductions of relevant "A", "B" and "C" awards.

B. Other adjustments

4. In the course of applying the above-noted deductions, certain other computational inaccuracies were detected that resulted in adjustments to claim awards. These include inaccurate mathematical computations of compensation for mental pain and anguish, loss of income and loss of support. Adjustments have also been made to claim awards where end of service indemnities had previously been deducted (see paragraph 28 of the report and recommendations made by the panel of Commissioners concerning the third instalment of individual claims for damages above US$100,000 (category "D" claims) S/AC.26/1999/9). Some of the adjustments relate to category "D" claim awards from which awards in other categories had to be deducted, and some of them relate to category "D" claims not subject to deductions.

C. Adjusted amounts, as per section B (other adjustments), above by instalment

Table 1. First instalment (part one)

Country or international organization	Previous total recommended award (US$)	Adjusted total recommended award (US$)
Kuwait	1,252,509.00	1,257,509.00

Table 2. Second instalment (part one)

Country or international organization	Previous total recommended award (US$)	Adjusted total recommended award (US$)
Australia	19,409.00	66,557.00
India	524,074.00	552,799.00
Jordan	1,847,662.00	2,096,507.00
Kuwait	2,915,801.00	2,959,411.00
Sudan	1,116,213.00	1,164,585.00
United Kingdom	1,604,892.00	1,646,730.00
United States	1,761,189.00	1,795,645.00

Table 3. Third instalment

Country or International Organization	Previous Total Recommended Award (US$)	Adjusted Total Recommended Award
Italy	51,712.79	58,663.00
Kuwait	5,664,171.70	5,679,172.00
United States	2,161,993.73	2,155,022.00

D. Adjusted amounts, as per section A above, by instalment after category "A", "B" and "C" deductions

5. Based on the deductions (including those applied after the adjustments identified in section C, *supra*), the aggregate adjusted amounts per country, by claim instalment, are as follows:

Table 4. First instalment (part one) adjustments after deductions

Country or international organization	Previous total recommended award (US$)	Adjusted total recommended award (US$)
Australia	105,307.00	25,395.10
Canada	474,954.00	293,950.74
France	137,854.00	85,950.89
Germany	55,360.00	16,605.67
India	52,283.00	37,138.54
Israel	98,429.00	90,929.00
Italy	88,584.00	11,075.35
Jordan	407,042.00	255,477.41
Kuwait	1,257,509.00	1,059,075.26
Sudan	24,913.00	3,113.69
United Kingdom	187,560.00	51,567.58
United States	2,424,418.00	2,195,245.24

Table 5. Second instalment (part one) adjustments after deductions

Country or international organization	Previous total recommended award (US$)	Adjusted total recommended awards (US$)
Australia	66,557.00	58,557.00
Canada	51,900.00	15,567.82
Denmark	25,086.00	709.34
France	58,338.00	24,038.09
India	552,799.00	393,986.27
Israel	596,514.00	591,514.25
Italy	41,107.00	37,370.20
Jordan	2,096,507.00	1,114,643.52
Kuwait	2,959,111.00	1,728,458.48
Lebanon	122,360.00	100,051.88
Pakistan	117,799.00	48,975.77
Poland	25,494.00	10,634.14
Sudan	1,164,585.00	614,464.32
Syria	243,744.00	240,558.60

Country or international organization	Previous total recommended award (US$)	Adjusted total recommended awards (US$)
United Kingdom	1,646,730.00	956,552.04
United States	1,795,645.00	862,702.41

Table 6. Third instalment adjustments after deductions

Country or international organization	Previous total recommended award (US$)	Adjusted total recommended award (US$)
Australia	167,664.83	84,831.84
Canada	562,930.19	252,031.36
Germany	22,837.40	0.00
India	1,501,591.52	1,102,044.78
Israel	236,713.64	229,167.64
Italy	58,663.00	58,662.79
Jordan	5,145,257.40	3,506,166.42
Kuwait	5,679,172.00	2,381,113.86
Lebanon	119,148.33	75,823.08
Philippines	48,957.18	20,884.52
Sudan	377,168.50	195,899.68
United Kingdom	3,132,729.79	2,120,388.58
United States	2,155,022.00	1,373,856.43
UNRWA (Gaza)	124,166.11	89,218.02

Table 7. Revised total recommended awards after adjustments and deductions

Instalment	Previous total recommended award (US$) a/	Adjusted total recommended award (US$)
First (part one)	5,406,161.00	4,222,472.47
Second (part one)	11,182,109.00	6,909,310.13
Third	19,502,642.64	11,675,688.53

a/ The previous total recommended award amounts in this column include the initial awards approved by the Governing Council in its decisions 47, 49, 55, 59, and 68 (S/AC.26/Dec.47 (1998), S/AC.26/Dec.49 (1998), S/AC.26/Dec.55 (1998), S/AC.26/Dec.59 (1998), S/AC.26/Dec.68 (1999)).

Geneva, 8 September 1999

(*Signed*) R.K.P Shankardass
Chairman

(*Signed*) H.M. Joko Smart
Commissioner

(*Signed*) M.C. Pryles
Commissioner

Annex XIV

Decision concerning adjustments to approved claim awards in category D taken by the Governing Council of the United Nations Compensation Commission at its 90th meeting, held at Geneva on 30 September 1999*

The Governing Council,

Having received, the special report and recommendations made by the category "D" panel of Commissioners concerning adjustments to approved claim awards, 1/

1. Approves the recommendations made by the Panel of Commissioners, and, accordingly,

2. Decides, pursuant to article 41 of the Rules, to correct the amounts of the approved awards for Governments and international organizations. 2/ The aggregate corrected amounts per country or international organization and instalment, are as follows:

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* Previously issued as document S/AC.26/Dec.80 (1999).

1/ The text of the report appears in document S/AC.26/1999/20 (annex XIII above).

2/ In conformity with the provisions on confidentiality in the Provisional Rules for Claims Procedure (articles 30, paragraph 1, and article 40, paragraph 5), a table containing the breakdown of the corrected amount to be paid to each claimant will not be made public, but will be provided to each respective Government and international organization separately.

First instalment (part one) corrections

Country or international organization	Previous total recommended award (US$)	Corrected total recommended award (US$)
Australia	105,307.00	25,395.10
Canada	474,954.00	293,950.74
France	137,854.00	85,950.89
Germany	55,360.00	16,605.67
India	52,283.00	37,138.54
Israel	98,429.00	90,929.00
Italy	88,584.00	11,075.35
Jordan	407,042.00	255,477.41
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Pakistan	117,799.00	48,975.77
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Italy	51,712.79	58,662.79
Jordan	5,145,257.40	3,506,166.42
Kuwait	5,664,171.70	2,381,113.86
Lebanon	119,148.33	75,823.08
Philippines	48,957.18	20,884.52
Sudan	377,168.50	195,899.68
United Kingdom	3,132,729.79	2,120,388.58
United States	2,161,993.73	1,373,856.43
UNRWA (Gaza)	124,166.11	89,218.02

Revised total recommended awards

Instalment	Previous total recommended award (US$) a/	Corrected total recommended award (US$)
First (part one)	5,406,161.00	4,222,472.47
Second (part one)	11,182,109.00	6,909,310.13
Third	19,502,642.64	11,675,688.53

a/ The previous total recommended award amounts in this column include the initial awards approved by the Governing Council in its decisions 47, 55, and 68 (S/AC.26/Dec.47 (1998), S/AC.26/Dec.55 (1998), S/AC.26/Dec.68 (1999)).

3. Directs the Executive Secretary to effect the above corrections and to provide copies of the tables containing the breakdown of the amounts to be paid to the affected individual claimants to each respective Government and international organization.
